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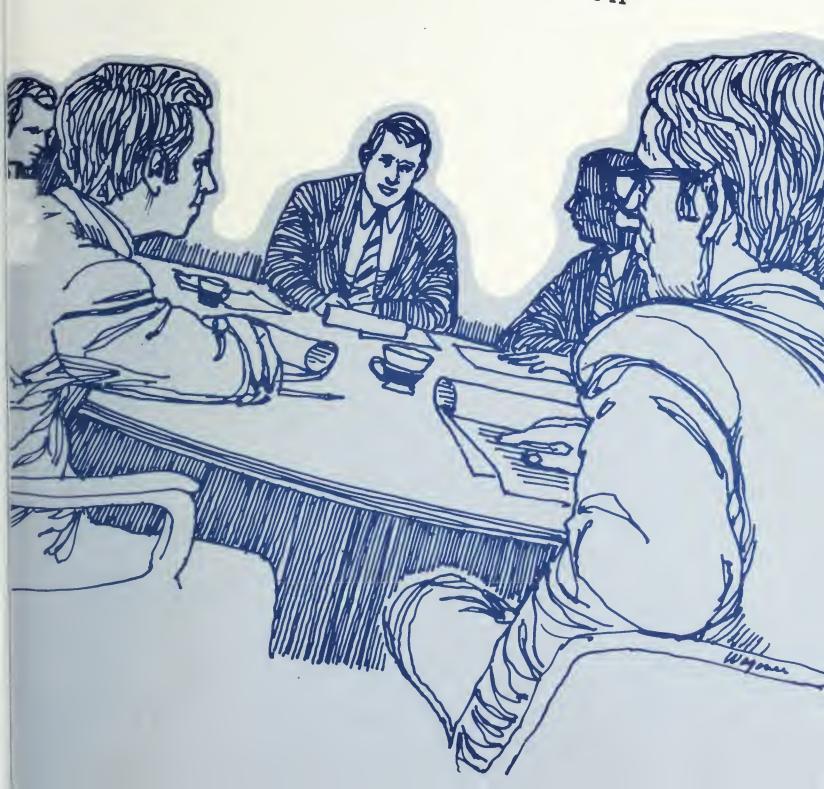
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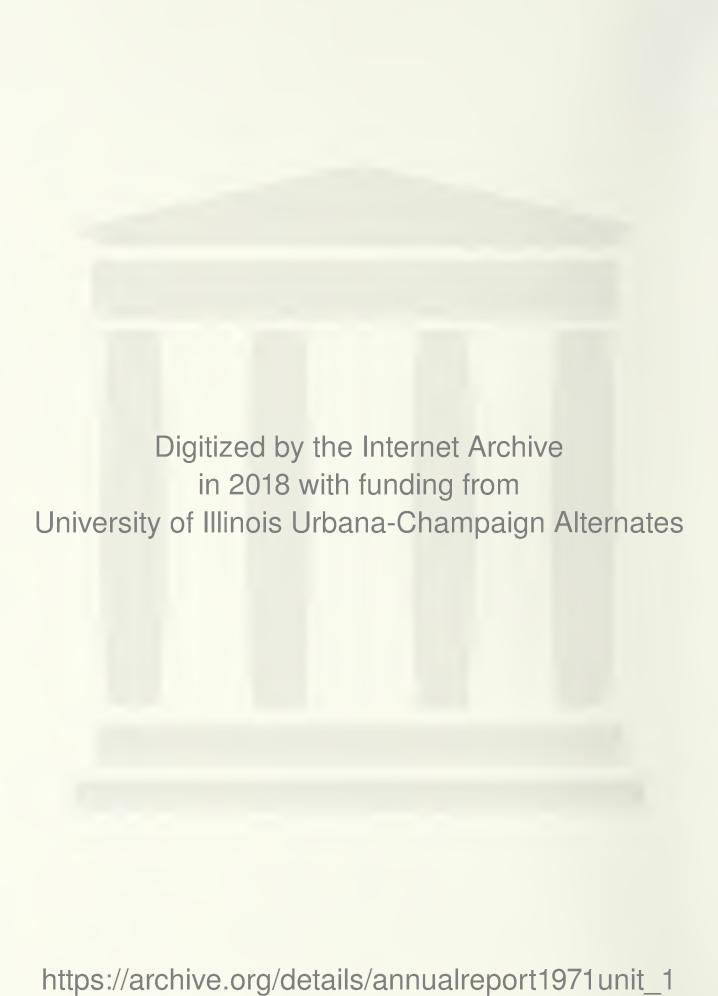
Twenty Fifth Annual Report Fiscal Year 1972

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Federal Mediation and Conciliation Service

Twenty-Fifth Annual Report Fiscal Year 1972



REGIONAL OFFICES

Region 1.—Frank H. Brown, Regional Director

2937 Federal Building, 26 Federal Plaza, New York, N.Y. 10007.

Maine; New Hampshire; Vermont; Connecticut; Rhode Island; Massachusetts; New York; and Northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Sussex, and Union.

Region 2. - Robert W. Donnahoo, Regional Director

401 Mall Bldg., Fourth and Chestnut Street, Philadelphia, Pa. 19106.

Pennsylvania; Delaware; Maryland; District of Columbia; West Virginia; Southern New Jersey counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Warren, Hunterdon, Mercer, Monmouth, and Salem; Virginia counties of Allegheny, Botetourt, Roanoke, Franklin, Henry and all east of these counties; and southeastern Ohio counties of Belmont, Monroe, Washington, Noble, and Guernsey.

Region 3. - William S. Pierce, Regional Director

1422 West Peachtree St., NW., Atlanta, Ga. 30309.

Western Virginia counties of Lee, Wise, Scott, Dickerson, Buchanan, Russell, Washington, Tazewell, Smyth, Bland, Wythe, Grayson, Carroll, Pulaski, Giles, Craig, Montgomery, Floyd and Patrick; Southwest Kentucky counties of Fulton, Hickman, Carlisle, Ballard, McCracken, Graves, Marshall, Calloway, Livingston, Todd, Lyon, Trigg, Caldwell, Crittenden, Union, Webster, Hopkins, Christian, Muhlenberg, Logan, and Simpson; Arkansas (Crittenden County only); Tennessee; North Carolina; South Carolina; Georgia; Florida; Alabama; Mississippi; Louisiana; Puerto Rico; and the Virgin Islands.

Region 4. – James L. Macpherson, Regional Director

1525 Superior Bldg., 815 Superior Ave., NE., Cleveland, Ohio 44114.

Indiana (counties of Clark and Floyd); Kentucky (except the counties of Region 3 jurisdiction); Ohio (except the counties under Region 2 jurisdiction); Michigan (lower peninsula; upper peninsula under Region 5 jurisdiction).

Region 5.-M. Clair Willmeth, Regional Director

1402 Everett McKinley Dirkson Building, 219 South Dearborn Street, Chicago, 111. 60604.

Illinois (except the counties under Region 6 jurisdiction); Indiana (except Clark and Floyd Counties under Region 4 jurisdiction); Wisconsin; Minnesota; North Dakota; South Dakota; and Michigan (upper peninsula; lower peninsula under Region 4 jurisdiction).

Region 6.—Paul E. Bowers, Regional Director

3266 Federal Building, 1520 Market Street, St. Louis, Mo. 63103.

lowa; Missouri; Southwest Illinois (counties of Calhoun, Greene, Jersey, Madison, Macoupin, Monroe, Randolph, and St. Clair); Arkansas (except Crittenden County); Nebraska; Kansas; Oklahoma; and Texas (except El Paso and Hudspeth Counties under Region 7 jurisdiction).

Region 7.—Edwin W. Scott, Regional Director

13471 New Federal Office Building, 450 Golden Gate Avenue, Post Office Box 36007, San Francisco, Calif. 94102.

Washington; Oregon; California; Idaho; Montana; Wyoming; Nevada; Utah; Colorado; Arizona; New Mexico; Southwest Texas (counties of El Paso and Hudspeth); Alaska; Hawaii; and Guam.

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LETTER OF TRANSMITTAL

Federal Mediation and Conciliation Service,
Office of the Director,
Washington, D.C., December 31, 1972

To the Congress of the United States:

In accordance with section 202(c) of the Labor Management Relations Act, 1947, I have the honor to submit the 25th Annual Report of the Federal Mediation and Conciliation Service, for the fiscal year ended June 30, 1972.

Respectfully submitted.

J. Curtis Counts, Director.

THE FEDERAL MEDIATION AND CONCILIATION SERVICE

J. Curtis Counts, Director

Lowell M. McGinnis, Deputy Director

Walter A. Maggiolo, Director of Mediation Activity

Eugene M. Frese, General Counsel

Kenneth E. Moffett, Special Assistant to the Director

Lawrence E. Eady, Director of Administrative Management

L. Lawrence Schultz, Director of Planning and Development

Norman O. Walker, Director of Information



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Introduction

ANNIVERSARY MILESTONE

This Annual Report brings to an end the first quarter century of the Federal Mediation and Conciliation Service in fulfullment of its mission as the principal peace-making agency of the Government in the labor-management area.

The FMCS views its past performance with pride of accomplishment and looks forward to an expanding future role in assisting employers and labor organizations in the resolution of disputes. It appears likely that new areas of worker-employer relationships will soon be developing and requiring mediation assistance, such as is already under way in the public sector and in the agricultural industry.

The work of the Service has a significant influence in sustaining the economy, both nationally and locally, through preventing work stoppages and shortening those that do occur.

The mediation process, over the past quarter century, has "saved" many billions of dollars in wages and profits that would have otherwise been lost through the occurrence or prolongation of work stoppages, not to mention potential losses in tax revenues and plant relocations or abandonments. The average mediator thus produces an economic return in the neighborhood of a hundred times his own salary.

While the search for panaceas in handling industrial conflict continues, the fact that third party assistance has worked remarkably well should not be overlooked or minimized. Cooperation of the parties, on both sides of the bargaining table, continues to grow as management and labor become more aware and confident of the substantially beneficial effects they can receive from skilled neutrals.

There can be no doubt that the mediator, operating as he does in the confidence of the parties, helps to keep bargaining sessions clear of diversions and directed at solution of the pending problems, while contributing worthwhile suggestions toward eventual settlement.

Mediation, therefore, is an important backstop for successful industrial relations. The process of third party assistance deserves the full support and understanding of all citizens. Approximately half of the states maintain their own labor mediation agencies which contribute in substantial measure to labor-management peace and also merit public support and recognition.

Mediators generally become involved in cases in which an impasse has been reached or is threatened. Yet the small cadre of approximately 250 FMCS mediators handled nearly 16,000 dispute cases during the past fiscal year, or more than 60 cases per man. A greater insight into mediator activity can be seen from a recent survey of the Bureau of Labor Statistics showing that 82 percent of all strike idleness in the Nation ended in agreements reached with the assistance of FMCS mediators.

STABILIZATION PROGRAM

The key development in labor-management relations during the 1972 Fiscal Year was the imposition in mid-August 1971 of the 90-day wage-price freeze and the subsequent Phase II controls.

The effect of the controls program has been to moderate the rise in both wages and prices and reduce the rate of inflation. There has been excellent cooperation by labor organizations and employers in adhering to the standards enunciated by the Pay Board. This cooperation has resulted in preserving purchasing power of the worker's pay check.

With the imposition of the wage-price freeze it became obvious that any then existing strikes for pay increases, or new strikes, were inadvisable because additional labor compensation was temporarily prohibited.

The Service accordingly sent messages to every union and employer involved in a work stoppage at the

inception of the freeze requesting a return to work and offering assistance in negotiating agreements consistent with stabilization policy. Over 260 strikes involving more than 100,000 workers were resolved in one month's time in this manner. While the Pay Board monitored the economic impact of contract settlements a similar function was also effectively performed by the separate Construction Industry Stabilization Committee for that industry.

It should be understood that the FMCS function is advisory and not regulatory in nature. Mediators kept fully informed on stabilization policies and advised the parties, where appropriate to do so, of their respons bility to comply with such policies. It is significant t note that the overall results of these efforts were postive in terms of achieving the goals of the stabilizatio policy.

The limitations on economic benefits placed on the bargaining process by the controls program led the parties in many disputes into hard bargaining conon-wage matters, such as work rules, productivity seniority, job security, retirement, jurisdiction, are similar issues that can involve substantial differences copinion and prolonged negotiations.

PRODUCTIVITY

Increased emphasis on productivity and efficiency highlighted fiscal 1972 bargaining. The economic stabilization program focused on increases in productivity and its measurement by giving productivity improvement special consideration in justifying contract settlement terms. It was encouraging to note that many of the contracts negotiated during Phase II provided for changes that were intended to result in greater efficiency.



West Coast Longshore industry negotiations show FMCS Director J. Curtis Counts, second from right standing, and other Federal mediators in discussion with union President Harry Bridges.

STRIKE ACTIVITY

As mentioned, mediators enter only the most conactious cases and those with the most actual or beential effect on commerce. Yet mediators do succeed ravoiding work stoppages in more than eight out of ten lies in which they are assigned.

The time lost to work stoppages, as a proportion of the worked, declined substantially during the fiscal fir. This ratio was 23/100ths of one percent of time wrked as compared with 31/100ths during the prior tal year.

The data means that during the fiscal period 99.77 cent of all work time was not affected by work appages. This illustrates as well as any one figure the merally prevailing peaceful nature of the contempory lective bargaining scene.

An examination of the month-by-month figures ricates the influence which the stabilization regulates has had in reducing work stoppages. The data for 1972 fiscal year, as calculated by the Bureau of por Statistics, is as follows:

Lost Time Due To Stoppages

	Month	Percent of Time Worked
1971:	July August	
1971:	September October November December	.36 .33
1972: Average	January February March April May June 1972 Fiscal Year	.11 .09 .14 .13

FISCAL YEAR HIGHLIGHTS

During the past fiscal year the Service handled nearly 000 dispute cases. A breakdown of the caseload tristics shows the accomplishments of the 250 medians in the average week as follows:

- 1. Assisted in 308 dispute settlements. In 139 of the weekly settlements the mediators participated in the meetings with the parties at the bargaining table. The remainder of the settlements required assistance about of joint session participation.
- 2. Of the 308 average weekly settlements 263 were gotiated without work stoppages. Thus the chances of piding a work stoppage in cases assigned to mediators as nearly seven to one.
- 3. The 252 mediators held an average of more than 50 dispute and preventive labor relations meetings per xek with employers or unions, or both together.

- 4. Mediators handled 523 preventive activity cases, or an average of 10 a week, with the objective of improving bargaining relationships. These cases involved 2,781 joint or separate meetings, or some 50 per week.
- 5. Arbitration caseload reached a new record level, with 13,842 panels submitted in fulfillment of labor-management requests, an increase of nearly five percent over the previous year. This averaged to more than 265 panel requests per week. The number of awards rose to 3,438, an increase of over 20 percent or some 66 per week.
- 6. Educational activity in explaining the bargaining process and the role of mediation continued to be an important part of the mediator's job. There were 853 such informational assignments during the fiscal year, or 16 per week.

DISPUTES MEDIATION

The authority for the operations of the Service comes im the Labor Management Relations Act, 1947. Its provision is "it shall be the duty of the Service, in oler to prevent or minimize interruptions of the free

flow of commerce growing out of labor disputes, to assist parties of labor disputes in industries affecting commerce to settle such disputes through conciliation and mediation."

The Service is thus given a broad responsibility for maintaining industrial peace. The law further vests in the Service a wide discretion to enter disputes "whenever in its judgment such dispute threatens to cause a substantial interruption of commerce." Intervention in disputes "which would have only a minor effect on interstate commerce" is discouraged. The Agency has attempted to exercise its best judgment as to which disputes have a "substantial" or "minor" effect on commerce. Also, the Service is directed to avoid mediation or conciliation of grievance disputes, except "only as a last resort and in exceptional cases." These provisions may be read in full in the quoted portions of the Labor Management Relations Act appearing in the Appendix.

The small force of FMCS mediators is strategically deployed in some 78 regional and field offices, located in areas of greatest industrial concentration.

Under the law, parties to collective bargaining relationship are required to notify each other 60 days in advance of intended termination of contract agreements. They are further required to file notices with the Service 30 days ahead of the designated termination dates.

The notices are assigned to mediators to check out and follow subsequent negotiations to determine whether and when third party assistance may become necessary. The mediators do not depend solely on the notices, as they are trained to be so in touch with the industrial life of their assigned territories that they are aware of potential trouble spots.

By far the bulk of the notices received by the Service require no mediation attention, other than careful monitoring. Bargaining parties generally are able, and do, conduct their relations smoothly and peaceably, without requiring assistance.

Often a mediator is able to ease the parties through difficult phase of their negotiations by consultation an suggestion without formally entering the bargainir chamber. Many disputes are thus resolved with minim mediator advice, but it may be the key to successfi completion of negotiations. Mediators encourage the do-it-yourself approach as the most desirable bargainir method and the route most conducive to improve future relations.

In those cases where mediation is necessary, or party or the other or both will generally invite FMC participation. It is only rarely that the Service exercise its legal prerogative to enter a case on its own volition

Once active bargaining table mediation is decide upon, the mediator will call conferences to examine will employer and union representatives the difficulti barring their agreement. In separate and joint meeting he explores possible areas of agreement seeking an art of reconciliation of conflicting positions.

His job is to keep negotiations going as long; they are fruitful, to improve the bargaining atmo pherc, to encourage mutual discussion, explore alternate solutions, suggest appropriate contract language and provide required economic data and other information. The skilled mediator will not imposhimself on the parties, but act as a catalyst of their solution development.

During the past fiscal year, a substantial measure industrial harmony was achieved. As in prior year mediation played its part in making the national polic of collective bargaining work successfully.

PREVENTIVE ACTIVITY

The Service considers its role as not only one of helping solve the crises in labor-management relations, but also one of promoting problem-solving techniques so as to avoid the crises from developing.

This is the preventive activity aspect of the Agency's peacemaking responsibility. The idea is to develop the problem-solving capacity of the parties in their normal daily relationships so that they are better able to cope with, and resolve, the larger problems that can arise when contracts are to be renegotiated.

Thus, after contract negotiations are concluded, the mediator is in a position to point out to the parties areas in their relationship that require repair or improvement, as well as to recommend steps they might take together to accomplish that improvement.

Having helped in settlement of contract issues, t mediator has been in a position to detect an unusu number of grievances, the attitudes during negotiation shortcomings of individuals, internal and power conflicts, ability of the parties to communicate, productive difficulties, and the degree of absenteeism, employme turnover, and productivity. As a skilled neutral helped to spot danger areas and recommend remedial procedure.

The Service has recently experimented successfu with an attitudinal approach to preventive activity. T mediator will meet with each side separately to det mine each party's judgment on its concept of an iderelationship. The parties then are brought together seek to agree on what they jointly can agree on desirable type of relationship.

The procedure then is repeated with each side parately and together to match the ingredients of their cisting relationship with the elements of the desirable lationship. The areas of needed change are then made ear and mutually understood. By working together, the esired status becomes attainable. The advantage of this chnique is that it provides a structure on which the arties can build for the future.

The Service actively encourages the development of int labor-management committees to meet as needed uring the life of a collective agreement to discuss and ren anticipate developing problems vis-a-vis the management and the workers.

Mediators also engage in considerable training actives with supervisors and shop stewards to make the

provisions of their contracts and proper administration of those provisions better understood.

The President, in his 1972 Labor Day address, proposed the formation of a National Commission for Industrial Peace to explore "ways that labor and management can harmonize their differences at the bargaining table, freely and constructively." The Commission, also, would plan how Government can better assist the bargaining process and how the public interest can be best preserved.

The on-going relations of the FMCS cadre of mediators can, particularly in the preventive activity phase of their work, help materially in the fulfillment of these worthy objectives. The Service is prepared to cooperate in such a commission program.

CONGRESSIONAL RELATIONS

The Service has attempted to provide increased iformation to the Congress by establishing new lines of communication with Capitol Hill. In addition to resonding to calls from Congressional offices concrning specific labor disputes, FMCS has initiated a

procedure whereby members of the Senate and House are immediately notified of work stoppages which occur in their states and districts, as well as key developments toward resolution of these disputes.

FUTURE OUTLOOK

The Federal Mediation and Conciliation Service is one the smallest Government agencies but, at the same the, one of the most useful to citizens and to the tion's economic health.

As the FMCS enters the second quarter century, the second continues to increase its effectiveness and to be closmed at labor-management bargaining tables in ties of stress.

In terms of history, the Agency is young. Indeed, the clective bargaining policy of the Nation is itself

relatively new, dating from 1935. It is a fair appraisal that the bargaining process and its helpmate, mediation, will continue to improve in the years ahead, and to contribute to the welfare of our country.

J. Curtis Counts

Director

Private Sector Bargaining

HIGHLIGHTS

Major labor contracts renegotiated during the fiscal year covered some 4,000,000 employees in the private sector. While this total was about 1,000,000 less than those involved in the prior fiscal year, the bargaining was complicated by many factors. Major industries affected by fiscal 1972 bargaining included aerospace, nonferrous, can, aluminum, steel, telephone, longshore, shipbuilding, and bituminous coal. Some of these situations had begun in the preceding fiscal year.

There were a substantial number of strikes in the early part of the fiscal period, and the package settlements were generally high. Each new industry, as it came to the bargaining table, was faced with the patterns of the one just completed. Package costs totaled somewhere between 90 cents and \$1.00 per hour including the roll-up.

The Administration's policy during this period continued to be one of hands off, beyond the mediation process, until the very serious impact of the longshore strikes on both coasts. In these the emergency dispute provisions of the Labor-Management Act were required to be invoked.

In August of 1971, the President froze wages and prices and with the action the whole pattern of bargaining changed. Those industries which had not yet had their turn at bat were uncertain as to how to proceed. The historic "follow the leader" principle was disturbed. The unions were caught by surprise and a primary reaction was to include clauses within the collective bargaining agreement that would permit recovery of disallowed wage increases at some future time. Local unions turned to internationals for guidance, and the internationals suggested ways and means in hopes the freeze would be short lived.

FMCS ACTION AT TIME OF FREEZE

When the freeze was inaugurated, The Director of the Service called on all unions engaged in strike action at the time to terminate their stoppages and return to the bargaining table. Scrvice mediators worked hard on all sections of economy with the parties to try to bring this result about. The response was excellent, and by the time the freeze was fifteen days old some 104 of 363 strikes had been settled. By the beginning of November, 284 strikes which had been in progress prior to the freeze were settled, and 110,500 workers back at work. There were some disturbing incidents where strikes had lost their effectiveness and the striking unions offered to return to work and continue to negotiate.

Mediators also began to face requests, even demands, that they assume the role of enforcers of the Government policy. Since the concept of mediation is incompatible with that of an enforcement function, policy was initiated which made it clear that the Service, while following Government policy, and advising people of

their rights and responsibilities, would not assume a policing role. This situation complicated the mediator's task. Basically, the freeze order did not prohibit bargaining for increased economic benefits. All that it did was prohibit such increases from becoming effective during the period of the freeze.

During the months immediately following the freeze and prior to the advent of Phase II, strike incident continued at much the same level as preceded the freeze but there was a substantial drop following Phase II. It this period of uncertainty, the Service endeavored the furnish all mediators with up-to-the-minute information of Board policy. The mediator, however, while playing the role of advisor, necessarily had to avoid speaking with a voice of authority. The responsibility rested with the Pay Board and the enforcement responsibility of the Internal Revenue Service.

Immediately following the inauguration of Phase II there was a scramble by the unions to settle cases which

ard's authority came when it was faced with some of ese cases. This was true in the Aerospace industry.

When the Pay Board rolled back the increase negotied with some of the major Aerospace companies, the ions resorted to litigation rather than economic tion.

As bargaining continued under controls, unions ritched their emphasis from large wage increases, nich had been the pattern prior to the freeze, to approvements in contract language and in fringes. nployers, for their part, resisted many work rule mands and endeavored to change practices which

they felt were uneconomic and caused poor productivity. Unions sought contracts of shorter duration or wage reopeners in the second and third years, or similar type of savings clause. Major contracts prior to the freeze had resulted in more liberalized cost of living clauses. However, many employers vigorously resisted clauses of this nature claiming that unexpectedly high raises had resulted in many instances.

Union professionals found themselves under pressure from their memberships which were not prepared to accept smaller increases. The continued inflationary push was cited as requiring very substantial increases.

EFFECTS OF FREEZE

The effect of the President's action in freezing uges and prices is dramatically illustrated by the sitistical figures of wage increases during this fiscal yar. In manufacturing, the third quarter of 1971 sows wage increases of 32.1 cents per hour; in the fourth quarter, after the freeze had begun, this arrage was down to 29.9 cents. In the first quarter of 1972, the figure dropped to 23.3 cents and if the second quarter it was down further to 21.8 cents. The Consumers Price Index gave some indication of the infaltionary pressure during this period. I July 1971, the Index stood at 121.8 up 4.4 preent from the prior year. By July 1972, the

Index was 125.5, or an increase of 3 percent from the prior year.

The percentage of total closed cases handled by the Service involving strikes also showed interesting changes. In August 1971, when the freeze was inaugurated, the figure was 18.4 percent. By October, it had dropped to 14.4 percent. For the balance of the fiscal year, it went as low as 9.4 percent in December, stayed close to 11 percent until June when it again rose to 14.4 percent. The average for the fiscal year of 14.4 percent makes it the lowest strike rate in mediation cases since 1969 when the big drive for large wage increases began gaining momentum.

SPECIFIC CASES OF SIGNIFICANCE

Prospace

In anticipating negotiations between the major crospace producers and the industry's two principal tions, the Machinists and the Auto Workers, the Srvice held a briefing session in late June 1971 at St. buis. Representatives of all the major companies and to unions outlined their views of the coming negotiaons for the mediators.

It was made clear that the industry was having disculties because of reduced procurement requirements from the military, as well as to some extent from to commercial airlines. Uncertainty over the wage-price teze further complicated the situation in negotiations her that fall.

As major contracts expired work stoppages were avoided as negotiations proceeded. However, one of the first settlements in the industry involved the Aerostructure Division of AVCO at Nashville, Tennessee, where some 1,900 members of the Machinists, engaged in production of aircraft engines, took part in a 10-week strike.

The major pattern-settling agreement was reached between North American-Rockwell Aerospace Corporation and the Auto Workers, with terms similar to those established earlier in automobile industry. Also, like the auto settlement, the "cap" or limit on the living cost clause was removed.

The North American package terms were 51 cents per hour the first year, 14 cents the second year and 15

cents the third year (or 12, 3 and 3 percent). Other major industry firms, including Lockheed, McDonnell-Douglas, and Boeing soon came to similar agreements. The settlements affected some 200,000 employees.

An important sequel to these negotiations was the fact that the Pay Board disallowed 17 cents of the 51-cent first year negotiated increase. The unions claimed that 34 cents of this amount was due them as "catch up" for past living cost increases and that the 17-cent remainder was within the allowed 5.5 percent future pay increase standard of the Pay Board. The Board disallowed 17 cents of the first year increase although permitting it to be payable in the second year of the contracts, in addition to the negotiated increment for the second year. The unions sued in court to overturn the Pay Board ruling and to require payment of the full 51-cent first year increase. This litigation is still pending.

American Ship Building

The American Ship Building Company, operating shipyards at Lorain and Toledo, Ohio, and at Chicago, Illinois, reached agreement with six craft unions representing approximately 900 employees at the three yards. A strike developed, however, as a result of separate negotiations with another craft union, the Machinists, representing about 90 employees in the three yards.

Disagreement with the IAM related principally to the entitlement of increases resulting from the living cost clause in view of wage controls limitations. Another major issue was union demands for jurisdictional changes regarding other crafts.

After a 13-day strike, the parties reached agreement with FMCS assistance. The union agreed to forego part of the living cost clause yield until the second year of the contract, whereupon it would be fully payable provided controls had ended.

The jurisdictional issue was settled on an understanding that all craft unions would meet later and work out an orderly process to handle jurisdictional problems.

Bay Area Bottlers

Approximately 1,000 workers employed by the soft drink bottlers in the San Francisco area and organized in seven Teamsters locals engaged in a five-month strike in early 1972. During the long stoppage production was continued through work of supervisors.

Despite numerous mediation sessions the parties remained at an impasse. The mediator suggested arbitration as a means of settlement.

Finally, a tentative agreement was reached which provided that unresolved issues would be settled either by further negotiations or by arbitration while the work stoppage would be terminated.

Even though the unresolved issues included such major matters as wages, fringe benefits, length of contract, and work jurisdiction the membership ratified this arrangement and returned to work.

Coal

Negotiations between the United Mine Workers and the Bituminous Coal Operators Association in 1971 wer prolonged and complex. A strike of nearly 80,000 coal miners continued from October 1 to November 15.

When the strike occurred, the employer and union negotiators had not reached agreement on number of issues. The most notable of these were wages, the wage spread within and between classifications, the amount of increase in pension royalty seniority as a factor in bidding procedure, and languag to minimize unauthorized work stoppages and to defin the circumstances under which a work stoppage could be authorized.

The mediation task was complicated by severa factors including the negotiators' concern with the interpretation of price and pay regulations. Also, the union spokesmen faced criticism from dissident members who were outspoken in expressing doubts about the Mine Workers' officers authority. In addition lawsuit had been initiated by the Department of Labor and the Department of Justice against the President of the Union.

Representatives of the Service frequently urger company and union negotiators to put aside their preoccupation with the external issues and concentrate their bargaining efforts on attempting to solve the problems that faced them in reaching a mutually satisfactory agreement. Settlement was realized after 46-day strike.

Construction Industry

The Service maintained its close liaison with th Construction Industry Stabilization Committee (CISC during the past fiscal year, and continued working wit the Craft Boards, the Contractors' Associations and th

Lernational Unions, to avoid work stoppages in the lustry and to coordinate the efforts in obtaining entract settlements.

The CISC program resulted in a continuing downward and in construction settlement costs and was responsition of cutting back many deferred increases in contracts regotiated prior to March 29, 1971, date of the inaugurion of construction industry stabilization efforts.

More than 35 percent of all construction industry elective bargaining agreements since March 29, 1971, fled to receive initial CISC approval, and were required to be modified by the contracting parties in order to cluce the wage, fringe and other cost items originally in agreements.

Phase II required all deferred increases to be reviewed at CISC before they could be placed in effect, creating a rume of approximately 5,000 cases in deferred increants only.

Since Phase II many increments have been reduced. The scheduled increases of as high as \$1.60 per hour

were reduced to 50 cents per hour. In all, approximately 1,300 deferred increases were reduced.

A number of employer organizations are consolidating in their localities to negotiate with the trades on a larger area basis. Examples of this are in Chicago, in upstate New York, and in the entire state of Minnesota. These organizations have been delegated bargaining rights by many of the smaller contractor organizations in order to coordinate efforts to eliminate costly work rules and working conditions, and to curb the leap-frogging type of wage increases.

The CISC made studies of major cities, and areas expecting significant expirations in 1972, and established what the maximum settlements should be in order to receive CISC approval. As a result of these studies, settlement patterns were developed for these areas. As contracts were received with settlements exceeding the established pattern they were returned with CISC notification that they must be made to conform to the pattern in order to be approved.



A trike of 6,000 materials delivery drivers idled more than 60,000 construction workers in 46 Northern California counties for two months. Agreement was reached in Washington offices of the Service.

Where settlement patterns had not been preestablished, contracts were studied by a CISC subcommittee and the full committee. If not approvable, the parties were advised of the maximum amount permissable and asked to conform to this standard.

Because of the volume of requests for contract approval, the CISC established a method of initial review by a subcommittee which recommended disposition to the full committee. If any member of the full committee so requested, the data used in making the recommendation were projected on a screen so the full committee could discuss the relationship to other settlements.

Although some two and three year contracts are still being negotiated, the trend continued toward one year settlements. As a result of this, the volume of new settlements in 1973 will be greater than 1972. By July 1972 the CISC had already received as many requests in six months as in all of calendar year 1971.

The CISC has increased its staff so that it has been processing cases in approximately one-half the time required in 1971. By 1973 the processing time should be reduced even further. The wage data for all approvals has been put into a computer which can produce print-outs of any area or trade available for CISC and the industry Craft Boards and Associations.

The number of strikes in 1972 through mid-year has been slightly higher than 1971, but there have also been many more expirations in 1972 due to the one year contract trend. The number of construction strikes in 1972 has been approximately one-half of the number in 1970. The duration of stoppages has also been sharply reduced through the joint efforts of FMCS mediators and the CISC.

A most recent survey lists the average increase in first year settlements at 5.7 percent with second year averages at 4.8 percent or an overall average of 5.4 percent. This compares with average first year settlements of approximately 19 percent in the second and third quarters of 1970 (prior to CISC establishment). During the second and third quarters of 1971 the average was about 11 percent.

A noteworthy bargaining situation during this fiscal period involved the International Union of Elevator Constructors and a group of employers associated as The National Elevator Industry, Inc.

A five-year contract between these parties expired March 23, 1972 but was extended for a week, after which began a Nationwide strike involving approximately 18,000 employees. Only New York City was exempted from the work stoppage, due to a separate contract there. (As the new fiscal year opened, New York City elevator constructors began a strike over similar issues).

The stoppage prevented the installation and main tenance of elevators and escalators in new and existing highrise public and private buildings from coast to coaffor the 101-day duration of the strike.

The Service was active in these negotiations from their inception. The settlement produced another five year agreement which established a procedure for handling disputes over the installation of prefabricate equipment and included a referral hiring system.

Another major dispute during the fiscal year involve the Northern California Construction Teamsters and the Northern California General Contractors. This disputes resulted in a two-month work stoppage stalling construction work over a wide area.

The strike directly affected some 6,000 material drivers in 17 union locals in 46 Northern Californ counties. Some 60,000 other construction workers we idled. The settlement was reached in the Washingto D.C., offices of the Service.

Consumers Power

Approximately 5,200 workers represented by the Utility Workers Union of America went on strike again the Consumers Power Company on May 12, 1971. The work stoppage, which extended to September 1, we punctuated with alleged violence.

The utility, a principal provider of energy to largetions of the State of Michigan, managed to mainta operations with its supervisory force.

Mediation of this dispute was complicated by polic differences within the union. A panel of FMCS and standard concluded that the best route to a settlement would be to recommend terms for agreement. Howeve the union rejected the recommendations while the company accepted.

The mediators thereupon made their recomme dations public including their suggestion that the recommendations be submitted to a rank-and-file referendur. Three weeks later the national union ordered the loc council to end the work stoppage and submit the recommended settlement to a membership vote. The mail ballot was approved by a four to one margin.

Glass Containers

Labor agreements expired on August 31, 19 between the American Flint Glass Workers Unic representing approximately 3,000 mold makes, and t Glass Container Manufacturers Institute, representing companies with plants at approximately 90 locatio throughout the Nation.

The parties bargained for 40 days in Florida where an impasse was reached and later resumed talks at Cleveland. After 19 joint sessions, mediators were successful in assisting the parties to reach complete agreement without a work stoppage. A strike by this group could have affected the entire glass container ndustry.

The impasse centered on the first year general wage ncrease, application of the then current wage freeze and he use of automatic equipment.

The Union proposed, on Oct. 28, 1971, that a 59-cent per hour general wage increase was acceptable provided it was made effective Sept. 1, 1971 and that he second year increase of 30 cents per hour was idvanced from Sept. 1, 1972 to July 1, 1972. This was igreed to by the Institute. The third year general wage ncrease was 32-cents per hour payable on Sept. 1, 1973.

The Institute further agreed to apply that part of the vage increase unpayable because of the wage freeze to uch other benefits as would be mutually agreeable.

The issue concerning automatic equipment was also esolved by clarifying the union position on the arbitrability of that section of the contract dealing with new quipment.

A serious threat of a strike was averted at the ermination of the contract when mediators requested he union to continue working on a day to day basis and o remain at the bargaining table. The Union complied nd telegrams were sent to all local unions requesting hem to remain at their jobs which they did.

The settlement at these negotiations, usually has an ffect on subsequent negotiations in the glass industry.

ireyhound Lines

The Greyhound Lines, Inc. negotiates a contract overing all states east of the Rockies with the Amalganated Transit Union. In the past, separate divisions of ne company negotiated individual contracts but in these egotiations the parties were attempting a national ontract with the exception of the western states. The egotiations were held in Daytona Beach, Florida.

All together, approximately 12,000 workers were wolved in the negotiations. Negotiations tended to ecome confused because of the large number of locals wolved, each having a high degree of autonomy. Strikes this industry by a single local tend to spread as orkers of various terminals complete runs and set up to the lines. It was important, therefore, to attempt to solve all issues with councils of all of the unions.

The mediator actively joined the negotiations just a w days prior to the deadline, because strike vote sults could not be known until a week following the October 31, 1971, contract expiration, thus providing more time for negotiations.

Certain of the locals, specifically Louisville and Lexington, Kentucky; Cincinnati, Ohio; and Knoxville, Tennessee, jumped the gun and struck on November 1, 1971. The mediator, working closely with the union leaders, persuaded them to send telegrams to the various local union presidents urging an immediate return to work in the interest of the success of the central negotiations.

The parties had literally hundreds of issues to resolve in addition to the basic economics, which were influenced by the restraint of the newly-announced wage controls. After intensive mediation, a tentative agreement was reached which the union prepared to submit to its membership in a mail ballot. This process took a month's time during which opposing union elements campaigned for and against ratification.

Finally, when the ballots were scheduled to be counted on December 20, certain of the returns were found to be stolen and the union officers declared the entire ballot invalid. Another extension was agreed upon for a new ballot on January 24, 1972. The count revealed a 58% vote in favor and the new contract became operative.

The new three-year contract included continuation of the cost-of-living clause with the former living cost allowance being added to the base rate, wage and pension increases, health and welfare improvements and many language changes. The new contract expires November 1, 1974.

A strike was also narrowly averted in separate and subsequent negotiations involving Greyhound Lines, West and the Amalgamated Transit Union covering bus operations in the 11 Western States.

The contract between these parties expired on February 28, 1972, covering 4,500 employees. The agreement was extended, but talks were broken off in late March whereupon the union went to the membership for strike authority.

Negotiations continued under FMCS auspices with gradual progress until the union set a strike deadline for May 23. Considerable progress was made just preceding the deadline but when the deadline arrived some locations were struck. Remaining issues were resolved in a few hours and normal transit service were immediately restored.

Litton Shipyards

Back in 1968, the Ingalls Nuclear Shipbuilding Division of Litton Systems, Inc., negotiated a five-year contract with the Metal Trades Council and several other



Mediators aid settlement affecting 12,000 workers at Litton Systems Shipyards, Pascagoula, Mississippi.

unions at Pascagoula, Mississippi. The purpose of the long-term contract was to insure a measure of labor relations peace because the State of Mississippi was sponsoring a \$130 million bond issue to finance a new Litton Shipyard across the Pascagoula River from the existing Nuclear Division yard.

When the new Litton Ship Systems Yard was built on the West Bank and had operated a short time in early 1971, difficulties arose in operating the new plant under terms of the labor contract of the Nuclear Division plant.

The two facilities have more recently expanded to an employment total of some 19,000 workers and have become one of the Nation's most important shipbuilding facilities. The new ship systems plant is one of the most modern and automated in the world.

A close working relationship had been developed at the Nuclear Division yard between Litton and the Metal Trades Council through regular meetings of a joint labor-management committee established at the suggestion and assistance of the Service.

Although some work stoppages occurred at both plants, in the process of adjusting contract conditions,

the substantial differences were resolved more easily because of this preestablished relationship.

A work stoppage developed at the Nuclear plant in August 1971 when the union membership rejected certain negotiated amendments to the existing labor contract. The stoppage lasted only two days, however, because it was decided to await the outcome of negotiations at the new Ships Systems plant.

Approximately 6,000 workers at the new plant (West Bank) began a work stoppage at the end of August which ran 28 days. The Service was most active in settlement efforts both at Pascagoula and at the Washington offices of the Service.

After the Company recognized the Council and two other labor organizations as bargaining agents for employees at the new plant, a new three-year contract was negotiated involving wage increases of 38 cents per hour the first year, plus an additional 10 cents per hour for top journeymen, and 20-cents second and third year increases. The Company obtained more freedom in making job assignments crossing craft lines. Similar provisions were then negotiated at the Nuclear Division plant, with both agreements extending to November 1, 1974.

There is a continuing mediation activity at these ants with regular labor-management committee meet-gs to insure a stable relationship.

ongshore

Separate strikes of longshoremen on both the East Id West Coasts proved to be the most serious labor spute situations occurring during the fiscal year. The rikes produced severely adverse effects to the econny, particularly to those industries and shippers pendent on foreign trade. These work stoppages oved to be the only instance that invocation of the ift-Hartley law emergency provisions were necessary.

The West Coast dispute was the more prolonged and lore damaging in its consequences. It involved the Iternational Longshoremen's and Warehousemen's hion and the Pacific Maritime Association.

Although the parties had tried to anticipate their spected difficulties in negotiating a new contract by inferring for more than six months prior to the Ine 30, 1971, expiration date, they were unsuccessful i reaching agreement and a work stoppage began on Ily 1 affecting all West Coast shipping, both American and foreign flag. The strike was the first by West Coast Ingshoremen in nearly a quarter century.

The parties recognized they had serious problems. A rijor reason was that during two preceding five-year entracts great changes had occurred in the economy ad the union membership was demanding substantial entract improvement.

The guaranteed work week, which had been in effect the East Coast, was a prime union demand in the vist Coast negotiations, as well as increases in wages, posions, and welfare benefits. Work jurisdiction and legth of contract were additional important issues.

The Service was active both before and after the West (ast strike began, as well as during the Taft-Hartley inunction period that followed. The Director of the Srvice was personally involved in the bargaining talks.

Some progress was realized in the negotiations during t: summer and fall of 1971 as pressures mounted from bth exporters and importers of a wide variety of goods al agricultural products.

President Nixon and other high Administration offields conferred with the parties in an effort to stimulate pogress in the negotiations, which were complicated by the advent of the wage freeze and subsequent wage cutrols.

Finally, in early October and the President invoked that Taft-Hartley emergency provisions in an order which covered not only the West Coast situation, but also the

separate disputes involving the East-Gulf Coast Longshore disputes and Great Lakes Ports, situations later described herein.

The West Coast strike was restrained by Court Order on October 6, 1971. During the 80-day "cooling off" period negotiations continued without result. The injunction period expired on Christmas Day but several deadline extensions provided for continued manning of the docks until January 17, 1971, when the strike resumed at all West Coast ports.

Pressures to free strike-bound vessels and restore shipping commerce mounted again and the Administration recommended special legislation to Congress requiring binding arbitration of issues still unresolved.

Almost simultaneously with the enactment of this legislation the parties reached a final settlement so that the law was not required to be utilized.

The agreement, ending work stoppages that cumulatively ran for 130 days, provided for a two-year contract dating from July 1, 1971. It included substantial increases in wages, pensions and other benefits, a guaranteed 35-hour work week for Class A Longshoremen, a tonnage tax on Longshore work performed by non-ILWU personnel for PMA member firms, as well as a number of other significant innovations. The basic pension benefit was set at \$500 a month at 62 years of age.

Subsequently, consideration of this settlement package by the Pay Board resulted in reducing the economic benefits.

Preliminary to the negotiations for a new contract between the International Longshoremen's Association and East and Gulf Coast Shipping interests, the North Atlantic ports combined into a new employer bargaining Association called the Council of North Atlantic Shipping Associations (CONASA). The ILA agreed to bargain with the new employer group on certain key issues, including wages, pension and welfare contributions, and work guarantee provisions, with local port conditions to be negotiated separately in each port.

Because of the past history of frequent strikes by these parties, the Service took special pains to prepare for these negotiations. Mediators from principal ports assembled in Boston early in 1971 to meet with spokesmen for the parties and Maritime officials of the Government. All aspects of the forthcoming negotiations were thoroughly reviewed.

Despite best efforts, the parties were unable to agree by the October 1, 1971, contract expiration date and a strike began. Although the East-Gulf situation had been included in the President's Taft-Hartley action involving the West Coast strike, the East-Gulf Coast strike was not enjoined by the Courts until November 26, 1972.

During the injunction period mediators actively assisted the parties in negotiations both in Miami and in New York, with the result that agreement was reached January 24, 1972 on all issues between the ILA and the CONASA employer group. This agreement "set the pattern" for subsequent negotiations in the South Atlantic and Gulf ports.

Since not all these negotiations had been completed by the February 14 expiration of the 80-day injunction period, the ILA leadership voluntarily extended the no-strike period by 30 days. This enabled settlements to be completed although there were brief stoppages in some Gulf ports.

Here again the Pay Board reduced the economic settlement terms, as had been done in the West Coast settlement, although in both cases the Board permitted increases beyond its normal guidelines in consideration of increased productivity provisions contained in the contracts.

The Great Lakes port dispute concerned contract negotiations between the ILA and certain grain loading operations at Chicago. A work stoppage, begun on Sept. 1, 1971, was included in the same Taft-Hartley proceedings as invoked for the East and West Coasts.

A temporary injunction was issued in the Great Lakes case on October 9, 1971, but a preliminary injunction was denied November 14, and the work stoppage resumed. This was the first occasion that a court injunction was denied under Taft-Hartley emergency provisions.

A Great Lakes settlement was finally reached on February 22, 1972, after a stoppage of 101 days. The settlement called for a four-year agreement with a wage reopener after two years and nine months.

Macy & Company

The Service was able to provide assistance in settlement of a contract renewal dispute between the R. H. Macy & Co., the large New York City department store, and the Retail, Wholesale and Department Store employees union.

The parties requested intervention of the Service in their negotiations which involved issues of wages, job security, sick leave, and job guarantees for long-service employees.

Although a one-week strike occurred, FMCS mediators were successful in helping the parties achieve a satisfactory settlement.

Newark News

One of the longest work stoppages in the newspaper publishing industry in recent years involved the *Newark*

News in New Jersey, one of the Nation's leading newspapers.

The work stoppage began on May 26, 1971, with strike by the Newspaper Guild representing editoria employees. Following settlement of this dispute in the fall of 1971 resumption of publication was furthe delayed by the craft unions when the *News* sold it printing facility to the *Star-Ledger*.

The crafts feared a loss of jobs due to the consolidation of the printing operations.

The Director of the Service and his Special Assistan assisted in settlement of this controversy, and the New resumed publication after stoppages that had extended for nine months.

Resumption of publication was short-lived, however as the *News* ultimately decided that it could no continue in business.

Nonferrous Metals

Copper industry negotiations were one of the last se of major industry contract talks prior to the impositio of the wage-price freeze.

Despite active mediation efforts, a strike affecting th industry's four major producers—Anaconda, Kennecot Phelps-Dodge and American Smelting & Refinin Company—began on July 1, 1971.

Other copper firms were affected as the negotiation progressed involving a total of approximately 39,00 employees in five Western states.

The principal labor organizations were the Unite Steelworkers, the International Association of Machinists and the United Auto Workers, but some two doze other unions were also involved in the contract negotations.

The ultimate settlement pattern was substantially so by an independent producer, Magma Copper Companin mid-July. However, it was not until late Septembe after a 12-week stoppage, that the walkout ended in a segments of the industry.

The economic settlement terms were estimated: about 31 percent, or approximately the same as he been negotiated earlier in a number of major industrie A principal issue in the copper talks was the insistence of the unions in an uncapped cost-of-living clause, which was ultimately incorporated in the contracts.

Negotiations with some copper companies were prlonged in disputes over the living cost clause and also the special demands of the great number of craft union involved in the bargaining.

The Service engaged in intensive mediation effor both at the sites of major copper installations and in tl FMCS offices in Washington.

Subsequent to the copper negotiations a nine-day rike occurred at the expiration of an extension greement, arranged by the Service, in a dispute between the Anaconda American Brass Company and the Steelorkers, Auto Workers, and Machinists unions. The nions represent 3,400 company employees at seven ants. The settlement of this dispute, based on recomendations of the Service, set a pattern for the anufacturing segment of the non-ferrous industry.

Early in 1972, a three-month strike occurred between the Chase Brass and Copper Company and the Machines, involving approximately 1,300 employees at Euclid, thio. Although the labor agreement expired at the end September 1971, extensions postponed strike action will January 1972. Adaptation of the earlier copper stillement terms to the economic conditions of the lickly plant were the principal areas of disagreement. Stillement was finally reached in early April 1972.

(f-Shore Maritime

The principal Maritime industry unions, offshore and ligshore, issued a joint announcement in early 1972 to the effect that because of the decline of the U.S. Perchant Marine they intended to avoid future work sippages to encourage shipping growth.

The statement preceded by several months the epirations of principal offshore contracts.

The pledge was largely kept and most of the offshore tions by mid-1972 reached settlements without work sppages.

An exception was the International Organization of Sters, Mates and Pilots which began a work stoppage c July 1 against the Pacific Maritime Association, wich resulted in a shutdown of a substantial segment of Vst Coast shipping. This dispute will be described in the next Annual Report of the Service.

Sel

Nine major steel companies negotiated a new threeyer agreement with the Steelworkers Union without a wrk stoppage, although a walkout threat was carried pt the deadline of the expiring contract.

A strike appeared imminent just hours before the didline after the Director of the Service and the Ryjonal Director of the Service had succeeded in keping the flagging talks from breaking off. The Service of Labor joined the FMCS officials and the pties were persuaded to grant a 24-hour extension. The era time proved sufficient to resolve the remaining publems.

The steel settlement terms followed closely those previously negotiated in the auto, can, aluminum and copper industries, as reported in the previous annual report. They all contain living-cost escalator clauses without a "cap," or top limit. The agreements also were heavily front-loaded to provide for living-cost catch-up.

The steel agreement, like the others mentioned, provided for more modest deferred increases for future years, a fact that was to contribute toward subsequent Government efforts to stabilize the economy.

As in prior years, the steel settlement was reached largely without Government assistance, although in the latter crucial stages, the Government was helpful in suggesting solution of some issues and in keeping the bargaining going forward when it was at the point of collapse.

The nine companies involved in the industry bargaining Committee were U.S. Steel, Bethlehem Steel, Republic, Jones & Laughlin, Lykes-Youngstown, Armco, Inland, National and Allegheny Ludlum. The same terms were negotiated substantially with all other basic steel and fabricating companies.

Telephones

A Nationwide strike of approximately 500,000 workers in the Telephone industry began on July 14, 1971, and ended six days later after intensive mediatory efforts by the Director of the Service.

The parties were the American Telephone and Telegraph Companies (AT & T), representing the 23 affiliated Bell system firms, and the Communications Workers of America (AFL-CIO).

The settlement terms included wage, pension and other increases valued at over 33 percent over the three-year life of the agreement, which contained a living-cost escalator clause. Special "big city" pay premium allowances were granted, in addition, in recognition of higher living cost levels in major cities.

While the terms were approved by the union membership generally, an exception was the rejection by the CWA in New York state where a work stoppage continued through the rest of the summer and fall of 1971 and into 1972.

During this long New York stoppage the Service continued priority efforts to assist in a settlement. The leadership of the New York CWA demanded greater benefits than had been realized in the earlier Nationwide settlement with other AT & T affiliates, which the New York Telephone Company refused to grant.

Telephone service continued during the seven-month strike in this State, but the backlog of new telephone installations mounted and hampered new connections to homeowners and businesses.

Finally, the New York stoppage ended in February, 1972 when the Director of the Service recommended settlement terms for the 38,000 striking workers.

The New York settlement contained minor variations from the terms agreed upon by the industry generally many months earlier.

Transport of New Jersey

The Transport of New Jersey is owned by Public Service Electric Gas Company and the Amalgamated Transit Union represents its employees. In the negotiations for a new contract, one of the major items was validity of its unfunded pension plan. Wages and working conditions were also involved.

When no agreement was reached, a work stoppage began March 1, 1972, involving 4,500 workers. As the strike continued, numerous meetings were held by the Service but no solution was found. Because of the effect on the public, considerable pressure arose from public officials including the State Legislature. Some 700,000 commuters depend on the facility. The Governor of New Jersey personally became involved and his staff worked closely with the mediator.

Before the settlement was reached, the Governor had indicated that he was considering having the State run the facility, or accepting bids from other bus lines to service the routes normally run by Transport of New Jersey. This move added to the pressures. A settlement, finally reached on May 7, provided for the start of a funded pension plan with guarantees by the State if it took over the lines.

Western Union

Nationwide operations of the Western Union Telegraph Company were affected by a 56-day strike which extended from June 1 to July 26, 1971.

The United Telegraph Workers (Western Union Division) represents company workers in all areas except in New York City, where the Communications Workers holds the bargaining rights.

Progress in these negotiations was hampered somewhat by concern with the outcome of concurrent negotiations between CWA and the Bell telephone system and by pending telegraph rate proceedings before the Federal Communications Commission.

The agreement between Western Union and UTW was of two-year duration, extending to July 27, 1973. It provided for a 10 percent increase in the first year, nine percent in the second year, in wages plus four percent additional fringe benefit improvements. A fifth week's vacation after 25 years of service was provided.

The separate negotiations between Western Union and CWA in New York were concluded shortly thereafter with similar settlement terms.

Analysis of Dispute Mediation

The history of the first twenty-five years of the Service is a record of growth in the acceptance of the nediation process. Mediation has become recognized as a procedure which makes free collective bargaining work successfully.

During fiscal year 1972, mediators monitored a total of 15,994 negotiations and participated to the extent of solding joint meetings in 7,215 of them, or 45.1 percent.

That percentage of active participation has increased teadily during recent years, from 34.5 percent in 1960

to the 45.1 percent in 1972. During the prior 12 years different measurements of mediation activity were used and no exact comparison can be made covering the entire first quarter century experience of the FMCS. Careful examination of the twenty-five year record shown in Figure 1, however, suggests that the growth trend has existed from the beginning, in August of calendar year 1947. The present category "Joint Meeting Cases" is a much more restricted group of situations than the "Active Cases" of the first six years, and a still smaller portion of the "Formal Cases" of the second six-year period, as explained in the column headings.

Figure 1-Twenty-Five-Year Record of FMCS Dispute Mediation*

Case Categories by Degree of Participation

Fiscal Year	Total Cases Closed by Mediators	Active** (Joint Meeting Cases plus Separate Mtg. Cases)	(Same adv	sultation * * ice or assistance to e parties)	Standby** {Close contact, but nediation needs	
1948*** 1949 1950 1951 1952 1953	8,173 16,047 14,367 13,500 13,563 14,943	4,879 7,046 6,470 6,163 5,729 6,697		673 1,187 1,364 1,258 727 516	2,621 6,814 6,533 6,079 7,107 7,730	
1954 1955 1956 1957 1958 1959	13,795 13,892 14,629 13,217 14,576 19,661	F	7,172 7,114 7,229 6,069 6,031 7,178		6,623 6,778 7,400 7,148 8,545 12,483	,
		Joint *** Maeting Cases	*		pint** g Cases	Participation
1960 1961 1962 1963 1964 1965	18,795 16,748 19,458 18,123 18,753 19,044	6,475 6,211 7,313 7,013 7,221 7,445		10 12 11 11	.320 .537 .145 .110 .532 .599	34.5 37.1 37.6 38.7 38.5 39.1
1966 1967 1968 1969 1970	19,184 17,447 18,763 18,964 16,938 17,608	7,836 7,193 7,485 8,028 7,509 7,991		10 11 10 9	,348 ,254 ,278 ,936 ,429 ,617	40.8 41.2 39.9 42.3 44.3 45.0
1972	15,994	7,215		8	,779	45.1

*See beginning of Chapter III.

***Aug. 22, 1947 (beginning date of FMCS) to June 30, 1948.

^{**}Terminology used in annual raports and all other records during designated years.

^{****}The joint meeting cases are this percentage of the total cases closed by madiators.

The dispute mediation work of the Service in a particular year depends upon the number of agreements being negotiated. Of the 15,994 total cases of 1972, 85.5 percent involved contract renewals. Another 8.9 percent were concerned with initial contracts, and 4.2 percent with contract reopenings. Only 1.4 percent involved grievance situations. A total, therefore, of 98.6 percent of the cases involved contract negotiations of some sort. See Figure 2.

The caseload depends completely upon the needs of the participants in negotiations. Thus it depends upon fluctuations in the constantly changing scope of labormanagement relations.

One major factor affecting the number of cases is the length of labor-management agreements. When the FMCS was established, a one-year contract was almost standard. In more recent years longer term agreements have been most common. Figure 3 shows the trend in duration of agreements in FMCS joint meeting cases in the past nine years.

The number of cases resulting in contracts of approximately three years increased from 35 percent in 1964 to

nearly 62 percent in 1969. Economic uncertainties led to a slight decrease in three-year agreements negotiated in fiscal year 1970. A number of negotiations producing broad escalator clauses brought about a modest reversal of that trend in fiscal 1971. Reaction to the stabilization program has led to an increase in one-year contracts in 1972, especially in the construction industry, with a corresponding decrease in three-year agreements. In fiscal year 1972, 53.8 percent of the joint meeting cases developed an agreement of approximately three years, 27.9 percent ended in agreements of about two years, and 17.8 percent in one-year contracts. Only one half of one percent were for a period of longer than 3 1/2 years.

Many other factors in addition to contract length and rate of participation affect the caseload. Among these are the growth of union organization, development of public sector bargaining, and changes in group bargaining practices. During the twenty-five years of FMCS, policy decisions have brought about a major reduction in grievance mediation and small case activity. Several states have expanded existing mediation agencies or created new ones.

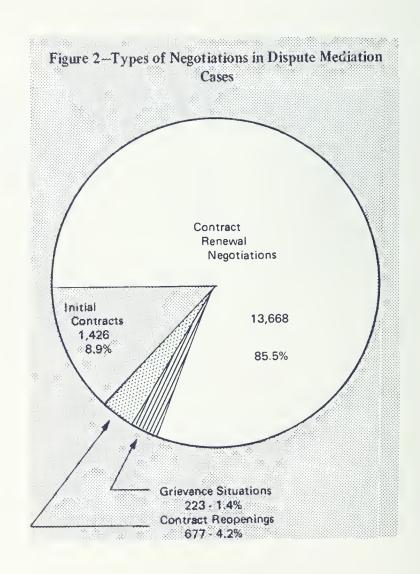
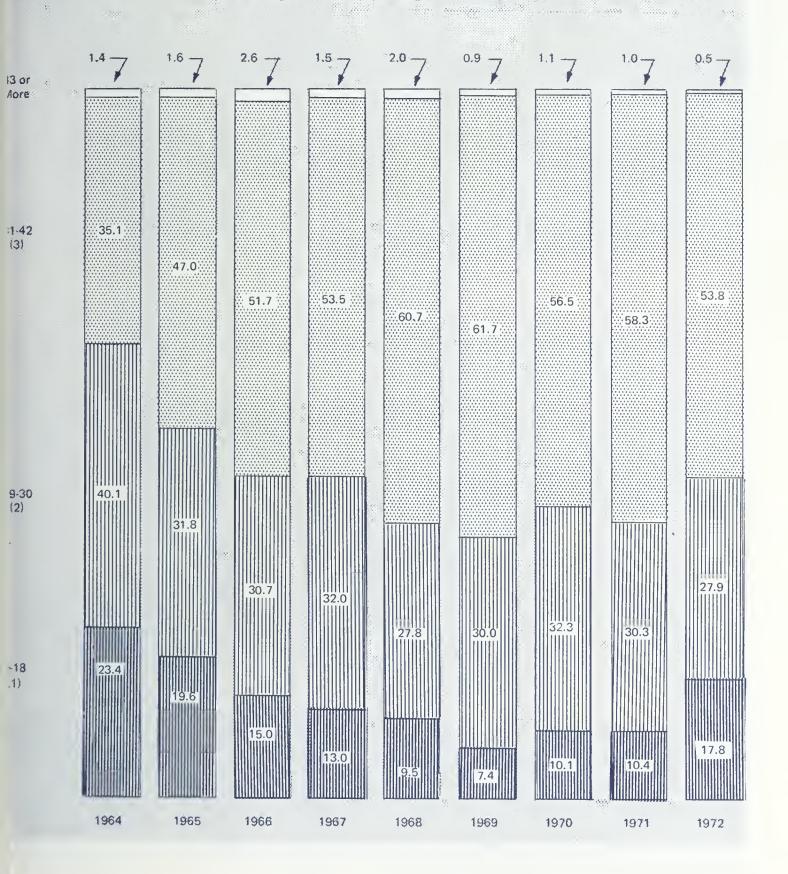


Figure 3-Length of Renewed Contracts in FMCS Joint Meeting Cases

Length in Months (Years)

Percentage of the Joint Meeting Cases Closed in the Year



NOTIFICATIONS

The majority of the cases originated from 30-day notices received in the seven regional offices of the Service, as required by the Labor Management Relations Act. Others came from an informal arrangement under which the National Labor Relations Board reports new bargaining unit certifications. Still others arose from direct requests by union and/or management.

In federal public sector negotiations, case assignments originated from 30-day notifications required under FMCS regulations, and from certification notifications supplied by the Labor-Management Services Administration of the Department of Labor.

The Service is concerned with all industries affecting commerce, except railroads and airlines. This report is solely of FMCS case closings. It does not represent the number of contracts negotiated in the nation in the

fiscal year. An FMCS case is assigned to correspond to an actual negotiation taking place involving commerce to such an extent that the Service follows the negotiation until completed. Often several contracts will result from one negotiation. In some situations the parties negotiate a contract without the Service having been informed. Still other negotiations which do come to the attention of the regional offices are screened because of lack of jurisdiction, and not assigned.

Some indication of the caseload carried by a mediator at any one time may be obtained from the fact that there were 4,736 cases in progress on June 30, 1972. That number divided by the 252 mediators on duty that date shows an average of 19 cases being monitored by a mediator at that time. The Service, therefore, started its new fiscal year with that many cases in current active files.

STRIKE INCIDENCE

Figure 4 shows the trend in strike incidence among the total cases. The increase from 8.5 percent in 1964 to 15.5 in 1970 indicates the difficult bargaining and

problems of mediation in a period of economic pressures.

Figure 4-Percent of Total Closed Cases Involving Work Stoppages Fiscal Number of Strike Strikes Percentage Year of total cases 8.5% 1964 1,587 9.4% 1965 1,792 10.8% 1966 2,064 12.3% 1967 2,146 1968 2,351 12.5% 2,849 5.0% 1969 1970 2,632 5.5% 14.9% 1971 2,616 2,250 1972

The drop in 1971 resulted largely from a reduction in stoppages in the construction industry. The decrease in 1972 to 14.1 percent is a product of the economic stablization program. A month-by-month analysis of case closings for fiscal year 1972 is shown in Figure 5. It demonstrates clearly the effort to terminate existing stoppages during the three month period of the "freeze" (August 15 to November 15). It shows the lower level of strike incidence during the second phase of stabilization.

Figure 5—Percent of Total Cases Closed in Fiscal Year 197.
Involving Strikes, by Month of Closing

July	17.0%	January	10.4%
August	18.4%	February	11.9%
September	24.5%	March	10.7%
October	20.7%	April	11.6%
November	14.0%	May	11.9%
December	9,4%	June	14.4%

AVERTING STRIKES

Figure 6 deals with strike avoidance in dispute nediation. Of the cases in which mediators held joint conferences before a final deadline, agreements were eached without a stoppage in 81 percent.

In situations in which the parties postponed a deadline for mediation, or for a continuation of the mediation process, agreements were reached without a stoppage in that same percentage.

Figure 6-Strike Avoidance in Dispute Mediation

*
6,432
5,239 - 81%
1,227
992 - 81%

MEMBERSHIP REJECTIONS

The percentage of joint meeting cases which involved rejection of a tentative agreement were, in 1972, at proximately the same level as in 1971, as shown in igure 7.

The Service began gathering information on this topic bely to better understand it, and to have background cts as the basis for mediators considering ways of inimizing the possibility of rejection. Later, informann was made generally available so that representatives unions and management would be aware of the mensions of the problem.

It must be recognized that this single figure includes a ide range of degree of enthusiasm about recommend-

ing the tentative agreement. At one end of the spectrum may be a unanimous, solid effort to persuade. At another end there may be a less enthusiastic and less than unanimous effort. There is no distinction within the single statistic between a strong tentative agreement and a weaker one.

In understanding this statistic it must also be recognized that it may not be typical of collective bargaining as a whole. It relates only to that most difficult segment of negotiations, the situations which involve joint mediation conferences.

Figure 7-Percent of Joint Meeting Cases Involving a Rejection of a Tentative Agreement

Fiscal Year	Number of Rejections	Rejection Percentage
1 681	rejections	rescentage
1964	629	8.7% of joint mtg. cases
1965	746	10.0%
1966	918	11.7%
1967	1,019	14.2%
1968	893	11.9%
1969	991	12.3%
1970	843	11.2%
1971	795	9.9%
1972	732	10.1%

GENERAL INFORMATION

Figures 8, 9, and 10 contain material which is largely self-explanatory. Figure 8 compares the issues which confronted mediators in the dispute cases of 1972 and 1962. Of some significance is the growth in the average number of issues per case and the average number of joint conferences required per case.

Limen	8-Issues	in Inint	Manting	Carne
Tiguiç	n-1990cs	III. FURIIT	mecting	FIGURE .

	1972	1962
Wages	6,602	8,544
Pensions, insurance, welfare	5,046	3,455
Vacations, holidays	4,663	3,341
Duration of Contract	4,621	3,454
Hours, overtime	2,339	1,743
Job classification	1,995	1,173
Guarantees	1,938	923
Seniority	1,748	1,517
Working conditions	1,634	1,273
Management prerogatives	1,446	816

Figure 8-Issues in Joint Meeting Cases-Continued

	1972	1962
Grievance proc., arbitration	1,396	× 1,088
Union security	1,183	1,214
Other contract issues	455	906
Total issues	35,021	27,447
Total joint meeting cases	7,215	7,313
Average issues per case	4.9	3.8
ferences held	25,754	23,119
Average joint mediation confer-		
ences per case ,	3.6	3.2
		- 30

Figure 9 shows the number of joint meeting cases in each state during the year. The types of industry and the number of workers involved in joint meeting cases during the fiscal year are tabulated in Figure 10.

Figure 9-Number of Joint Meeting Cases in 1972 By State

	4.88E-111				
Alabama		114		Montana	24
Alaska		6		Nebraska	69
Arizona		49	1	Nevada	15
Arkansas		66	95	New Hampshire	20
California		569		New Jersey	284
Colorado		67	1	New Mexico	24
Connecticut		75	-	New York	418
Delaware		26	-	North Carolina	49
Dist, of Columbia		49		North Dakota	29
Florida		113		Ohio	582
Georgia		110	- × 1	Oklahoma	51 😸
Hawaii		20	-	Oregon	92
Idaho		22	-	Pennsylvania	562
Illinois		586		Rhode Island	34
Indiana		270	:	South Carolina	22
lowa		202	1	South Dakota	11 🧷
Kansas		92		Tennessee	176
Kentucky		156		Texas	254
Louisiana		79		Utah	22
Maine		29		Vermont	12
Maryland		105		Virginia	69
Massachusetts		201	38:	Washington	162
Michigan		350		West Virginia	55
Minnesota		207		Wisconsin	227
Mississippi		45		Wyoming	7 🖔
Missouri		336			
				Total	7,215
- I				***************************************	

Figure 10-Industries Involved in Joint Meeting Cases

Industry	Number of cases	Employees in bargaining unit	Employees in the establishment
Asnufacturing	4,730	1,732,237	3,138,670
Retail, wholesale, and service industries	1,170	320,164	1,005,313
'ublic Utilities, communications, transportation	521	398,917	965,036
Construction	498	305,420	1,658,427
Sovernment (Federal, State, and Local)	225	173,407	515,362
Aining, agriculture, and finance	71	123,327	199,461
Total	7,215	3,053,472	7,482,269

Preventive Activity

COOPERATIVE RELATIONSHIPS

The Service has traditionally viewed its responsibility of preventing and minimizing labor disputes to include assisting labor and management in developing more cooperative relationships during the terms of collective bargaining agreements. By enhancing the abilities of the parties themselves to handle their future problems effectively, the Service feels that the possibilities for successful contract negotiations are greatly increased.

In recent years, the preventive function has assumed added importance due to the rapid acceleration of changes in collective bargaining and the real necessity in many enterprises for improving productivity. In helping the parties to deal with their many new and complex problems, the Service has identified six major categories for focusing mediator preventive efforts:

- (1) Labor-Management Committees active during the term of the agreement. They are designed to promote a relationship which encourages the parties to deal effectively with day-to-day problems which arise during this period. These committees are concerned with specific issues and/or general relationships.
- (2) Pre-Negotiation Conferences held well ahead of contract negotiations. Their purpose is to clarify or explore issues before actual negotiations begin, or possibly to reach early agreement on a new contract.
- (3) Post Negotiation Committees where matters which could not be settled in negotiations, due to the

complexities involved, are left to be decided by a joint committee after formal negotiations have been completed.

- (4) Top-level Labor-Management Meetings held annually or prior to contract negotiations to discuss the broad areas of concern to both parties.
- (5) Meetings to acquaint **Supervisor-Steward Groups** with their responsibilities in administering the agreement.
- (6) Consultation-Liaison with company and union representatives on an informal basis to provide assistance as needed and to keep abreast of the labor relations climate in significant industries or facilities.

Recent experiences of the Service reveal that an increasing number of labor-management committees are being established to deal with problems which arise during the term of the agreement. These matters of contract administration seem to lend themselves to more objective discussion outside the grievance procedure where both parties are not obliged to promote or defend positions based upon written grievances.

Training programs in the public sector are also increasing. FMCS sessions dealing with grievance admin istration, communication, human relations and leader ship have received favorable responses from Government agencies and unions.

NEW TECHNIQUES

The Service is constantly seeking to improve its preventive services through refinement of conflict resolution techniques and creation of new approaches

which the parties can utilize to effectively handle thei future problems.

REPRESENTATIVE CASES

Some representative preventive cases engaged in by he Service during the 1972 Fiscal year are described riefly in the following:

\irmaster

The Service participated in the contract negotiations between Airmaster Division of Howmet and the Teamters which resulted in a work stoppage at this 'hiladelphia plant, employing 460 people.

After agreement had been reached on a new contract, he parties sought the mediator's advice when the company made physical changes in an assembly department to facilitate handling and to increase productivity. According to both company and union officials, negative inilateral action by union members was imminent.

The mediator convened a labor-management meeting n which the parties agreed to have a qualified industrial ngineer study the situation.

The Service then scheduled another meeting which vas attended by the industrial engineer selected by the parties. Immediately following the session, at the meditor's suggestion, the entire committee toured the plant and inspected the assembly department.

This exposure to the work force served to prove that omething was being done, and tensions were reduced hroughout the plant since other departments feared imilar action.

Before the job evaluation study was completed, the company decided on a more flexible standard which was atisfactory to the union and its membership.

Atomic Energy Commission

This Hanford, Washington facility of the Atomic Energy Commission is engaged in nuclear production and research. The Hanford Atomic Metal Trades Council s composed of 19 local unions representing approximately 1950 employees of four major firms under contract for site operation with the AEC: Douglas Jnited Nuclear, Westinghouse Hanford Company, Battelle Northwest, and Atlantic Richfield Hanford Company. Separate contracts are negotiated with each employer.

The Service maintains continuing liaison with the acility's policy-making levels of labor and management o provide advice and counsel on labor relations matters when requested. Alternatives and options are explored by the mediator with the parties on an informal basis as ituations develop.

A significant example of preventive work at this location was the resolution of a wildcat strike over a jurisdictional dispute. An FMCS recommendation was accepted by the company and the unions involved in the composite crew.

The parties have welcomed the Service's assistance and are receptive to its continuation as a useful tool in improving their relationship on a continuing basis.

Brookhaven National Laboratories

A labor-management committee was established at the suggestion of the mediator after a nine-week strike at this Long Island, New York facility of Brookhaven National Laboratories which does research work in conjunction with the Atomic Energy Commission and several universities. It employs over 2,500 people, represented by the International Brotherhood of Electrical Workers. During the contract negotiations, in which the Service played an active role, jurisdictional alignments of work had been a troublesome issue.

The purpose of the mediator's preventive sessions was to discuss periodically matters which arose relative to this issue, so that the parties could assess their positions intelligently without undue pressures.

These meetings have given the parties a better understanding of jurisdictional problems. Presently, IBEW officials and management do not consider this area a major issue in their relationship.

Brown Company

A division of Gulf and Western Industries, Brown Company in Kalamazoo, Michigan, has agreements with the Firemen and Oilers, Teamsters, Pressmen and two Papermakes locals.

In 1965, after a 24-day strike with the Papermakers, the mediator was instrumental in establishing a labor-management committee which is still in operation. The following year, during contract negotiations with the Printing Pressmen, a similar type labor-management committee was agreed to and ultimately convened.

Since 1967, the Service has had to be active in only one of the negotiations with these five unions. Prior to 1967, FMCS held up to 15 joint conferences each time a contract was negotiated. Recently, the Service conducted a supervisor training program which company officials feel has further helped the participants in their labor relationships.

Cement Companies

This preventive assignment was a result of master contract negotiations between six Cement Companies and the Cement Workers Union which represents 2,400 employees in Southern California and Arizona.

During contract negotiations a tentative agreement was reached which included establishment of a labor-management committee to interpret and explain all provisions of the contract. It was felt that this procedure was necessary due to the complex monetary and fringe items as well as a large number of work rule changes.

After tentative settlement and prior to complete ratification by the membership, the parties were involved in negotiating local agreements. Certain local issues began to erupt into problems which could have had an adverse effect on the master contract ratification.

A mediator became involved in the situation by calling a joint conference to discuss the post negotiation problems which had arisen. Through joint and separate sessions, understanding was achieved on all issues and the possibility of a work stoppage was avoided.

Champion Parts Rebuilders

A preventive program was instituted at the Chicago plant of Champion Parts Rebuilders in which the UAW represents 200 employees. The program was developed at the request of company and union representatives because of a lack of cooperation at the lower levels of the grievance procedure. Numerous grievances were being pushed up to the level of international union involvement.

Mediators first met separately with the parties to determine the reasons for their problems. Union complaints included poor communications, lack of consideration and understanding in dealing with employees and union representatives, constant and repeated contract violations, foremen not authorized to make decisions leading to delayed and unresolved grievances. The company complained that the union would not cooperate, insisted on literal interpretation of the contract when in its favor, wrote too many harassment type grievances, fought for employees right or wrong, and would not help to reduce absenteeism.

The mediators conducted a seven-week seminar on labor-management relations. The program included foremen and steward responsibilities, leadership, communications, grievance handling and human relations. The first four sessions were held with the company and union separated, and the final meetings were conducted jointly at the request of the parties.

Management and union officials report that a better relationship has been established, better communications achieved, and fewer grievances are being written.

Chemtron Corporation

Job classification and rates were the key issues in the 1970 negotiations between Chemtron Corporation and the Alloy Rods Independent Employees Union in Hanover, Pennsylvania.

During the bargaining, the mediator suggested to the parties that they completely revise their job classification system after settlement of the agreement. He also proffered the Service's assistance in this endeavor.

The company and union formed a joint committee to undertake the task which took nine months to complete. A representative of the Service met monthly with the committee and served as a coordinator during the sessions.

All the job classifications were resolved to the satisfaction of management, the union and the work force. It was not necessary to refer any classifications or rates to arbitration, which was the agreed to procedure prior to the start of the program.

Construction Employers Council

A noteworthy innovation in the 1970 Detroit construction bargaining between the Employers Council and the Multi-Trade unions included a provision for early bargaining on a new contract. These "early bird" negotiations involving 43,000 workers were successfully completed in February, 1972.

A mediator had played a significant role in the 1970 and 1972 negotiations; but, equally important, the Service was involved in numerous preventive meetings in 1971 to prepare for the actual negotiations.

The key issue in the bargaining was wages, which industry representatives felt should be at a level consistent with productivity and which should not be increased beyond some level of equity resulting from cost of living increases. As these thoughts developed, industry and union people began to seek information on methods of developing some type of cost-of-living formula for use in the 1972 Multi-Trade bargaining sessions. Because COL was new to this industry, the parties turned to FMCS for counsel and advice. This in turn led to a series of consultative meetings by the Service.

The information compiled during these counsultations was utilized to an extent in the contract negotiation sessions. The Service's contribution has been acknowledged by the industry which will restudy the approach for its 1974 Multi-Trade negotiations.

Convair Aerospace Corporation

The Service was active in the 1967 contract negotintions between Convair Aerospace Corporation, a dizision of General Dynamics in Fort Worth, Texas and he International Association of Machinists. It was wident to both parties that continuing dialogue would be necessary to maintain industrial peace in this 5,000-employee facility, and a provision for a Joint Communications and Study Committee was placed in he five-year contract.

After the contract negotiations were settled, commitee by-laws were drawn up by the mediator and pproved by both parties.

During the past fiscal year, eight joint conferences were conducted, which were attended by top management and union officials as well as representatives of the ervice.

In the past, the agendas have included items such as ensions, insurance, employment, discipline, subconcacting, savings plan and vacations as well as broader reas as the state of business, future contract negotitions problems, methods for reducing grievances and nproving communications.

Both parties have repeatedly expressed satisfaction ith these meetings and plan to continue utilizing the essions to maintain and improve their excellent laboranagement relations. This fine relationship was evienced by the peaceful renegotiation in 1972 of the spiring five-year contract.

ourtaulds

This labor-management committee established by a ediator in 1967, has become a very important part of e monthly activities of Courtaulds of North America, c., and the Textile Workers in Mobile, Alabama.

The committee, chaired by the mediator in many ssions, is used as a means of solving problems in a calm mosphere and at a time which gives the union an portunity to take the resolution to the 1,000 member cal for ratification.

Agreements have been reached through the laboranagement committee in such areas as lay-off and call, safety and security, equal employment oppornity, overtime distribution, discipline and fringe benes.

Because of the joint committee activity which relved numerous problems during the previous contract, it was not necessary for the mediator to be present at the contract negotiations.

From 1959-67, 139 grievances were arbitrated. Labor-management committee activity from 1967 to present has contributed to less than 50 cases being referred to arbitration.

Representatives of the company and union recently stated that they feel that this committee has proved to be a very valuable avenue of communication between the company and the union.

Department of the Army

The Army Aeronautical Depot Maintenance Center, Corpus Christi, Texas and the AFGE and IAM unions participated in a joint training program conducted by FMCS.

The Service is no stranger to AARDMC Command. Mediators have assisted the parties in two prior negotiations as well as two extensive joint training programs.

The new course which was developed dealt with leadership, communications, grievance handling techniques, on-the-job relations and arbitration. The response of the 250 labor and management participants was enthusiastic.

Army officials feel that the program was beneficial, especially noting the marked increase of grievances settled at lower levels by supervision. On the minus side, however, the number of grievances filed since the program was conducted has increased.

Erwin Mills

FMCS has worked closely with Erwin Mills, Inc., a Division of Burlington Industries and the Textile Workers for over a decade. The Service has been active in both dispute and preventive work at this Durham, North Carolina, facility with 1,200 employees.

Preventive work at this location has centered around ad hoc issues from disciplinary and discharge matters to technological changes, as well as total company-union relationships.

Most recently, FMCS assistance was proffered through mediation acting as a prompting influence in the negotiation of an "early bird" contract.

The mediator feels that the sound labor-management relationship at this location has influenced subsequent contract renewals within the company as well as in the industry. He is hopeful that the reduced incidence of grievances and arbitration will remain a way of life in this relationship.

Fisher and Porter

The parties' current labor agreement at the Fisher and Porter Company plant in Warminster, Pennsylvania, provides for continuing negotiations on non-economic issues during the term of the contract. Either party may request, upon written notice to the other, a meeting to confer upon and negotiate non-economic changes in the existing agreement which covers 1,850 people in the 2,250-employee plant. Areas for negotiation under this clause include working conditions, production, labor-management relations and certain community endeavors.

When requested, a mediator serves as chairman of these labor-management committee meetings which convene weekly. Company and union (Rotometer Workers Union) representatives on the committee serve for the duration of the contract, after which new members are chosen.

In addition to the joint committee meetings, FMCS conducted a foreman-steward training program on sound labor-management relations, as well as an activity for middle management personnel dealing with the dynamics of contract negotiations.

A representative of the Service is readily available to consult with the parties on day-to-day shop problems, and this diaglogue is continuing on an as needed basis.

Hahnemann Hospital

Following the negotiation of an initial contract, the parties requested that FMCS develop a training program for approximately 140 supervisors and Hospital Employee Union delegates at the Hahnemann Medical College and Hospital which employs 840 people in Philadelphia.

The Service conducted 24 meetings on collective bargaining, arbitration and grievance procedure with emphasis on the parties learning to live with one another under a collective bargaining agreement.

Representatives of the hospital feel that the program has been a definite contribution in the efforts to establish a cooperative atmosphere between union and management.

As a result of this activity, other hospitals in the Philadelphia area have requested programs of a similar nature.

Haskell of Pittsburgh

Haskell of Pittsburgh, Pennsylvania manufactures a quality line of metal office furniture in its 250-employee plant represented by the IUE. The parties have relied

upon the Service to assist them in every contract negotiations since 1959.

The 1965 negotiations were concluded after a 57-day strike. There were also strikes in prior contract bargaining. Additionally, between the 1965 and 1968 negotiations there were numerous wildcat strikes.

At the conclusion of the 1968 bargaining, the Service strongly recommended that because of past relations and lack of communication, serious consideration be given to the establishment of a labor-management committee.

The parties agreed, and shortly thereafter the company and union commenced monthly joint sessions. The meetings were devoted to a discussion of everything that the parties thought would improve their daily relations.

Subsequent to 1968, there have been no wildcat or contract strikes. The labor-management meetings are continuing, and the parties' relationship is sound. A mediator continues to maintain liaison and he reports that there have been few grievances filed with none being referred to arbitration.

Kaiser Aerospace

Kaiser Aerospace is a major subcontractor for various defense programs. A six-week strike at the San Leandro, California, plant occurred in 1971 after a tentative agreement was rejected by the UAW local membership.

During the negotiations, the mediator discussed FMCS preventive services with the parties. The company and union agreed to schedule periodic meetings aimed at developing methods for improving the labor climate. Management was concerned with correcting deficiencies in day-to-day relationships as well as developing in its supervision a sensitivity to labor considerations. Union leaders were interested in attempting to resolve problems at the local level and avoiding the tendency to push grievances to a higher stage.

The mediator assisted the parties in their initial sessions. Joint meetings have continued, and the number of formal grievances has been drastically reduced. Labor and management feel that they are working toward a better understanding of more effective ways to approach and solve their problems.

McClellan Air Force Base

An extensive joint training program for civilian supervisors and union stewards was conducted for the Sacramento Air Materiel Area of the Air Force Logistic Command in California.

A team of four mediators were involved in 160 training sessions reaching 2,000 supervisors and steward

from the seven labor organizations including AFGE, Technical Employees, California Nurses, Fire Fighters, McClellan Employees for Equality, NAGE and the Technical Skills Association.

Months were spent in developing the format for the sessions which were a joint effort of the Service and the Air Force. The program was structured around the purposes and intent of Executive Order 11491, as amended. It dealt with basic philosophies of collective bargaining and problem solving. Workshop sessions were held on effective grievance handling methods and techniques. A final workshop was devoted to the nature of impasse and methods of resolution, including third party intervention such as mediation and arbitration.

The results of such a training program are almost impossible to measure. But it is presumed that the exposure of almost every supervisor and shop steward on the base to the material presented should have some salutary effect on their ability to work with each other as intended under the Executive Order.

Since completion of the program, the Base Command and its major union, AFGE, have succeeded in concluding their first collective bargaining agreement.

Monsanto

Preventive activities with Monsanto Research Corporation and the OCAW at the Miamisburg, Ohio facility date back to 1964.

The preventive efforts by the Service at this 1,500-employee location were an attempt to change the attitudes of company and union representatives to eliminate the backlog of grievances which had been scheduled for arbitration. FMCS has also been active in the contract negotiations of the parties for the past eight years.

The result of the Service's preventive program, coupled with the sincere desire of the parties to improve their relationship, has been the reduction of the arbitration load from an average of 80 cases to none during the past year.

Inasimuch as there are changes in the union representatives and company personnel over the years, the Service conducts meetings on a continuing basis to maintain the establishment of their mutual sense of abor-management responsibility.

Morton Salt Company

Morton Salt Company and the Teamsters had been experiencing 70 to 80 written grievances annually that were being processed to the third and fourth steps of the grievance machinery at the Painesville, Ohio mine.

Extensive discussions were held between the mediator and company and union representatives to determine their needs based upon the types of grievances being filed. Plans were made for two foreman-steward training sessions to be followed by labor-management meetings.

The initial training covered the responsibilities and goals of labor and management as related to the daily duties of foreman and union stewards. Topics included communications, handling of worker complaints and investigation of potential grievances. Emphasis was placed on the need for foreman and stewards to make decisions on worker complaints as they occur, after proper investigation.

Following the training sessions, labor-management meetings were scheduled monthly under the guidance of the mediator. The sessions were not for the discussion of actual grievances. Rather, they were primarily to define possible problem areas which could result in grievances, as well as for the company to explain contemplated changes in practices.

Increased awareness of each other's problems was the ultimate result of these labor-management meetings which are continuing without mediator participation.

The company has delegated to foremen the responsibility and authority to make decisions on complaints at the time which they occur. This procedure prevents many problems from becoming formal grievances. As a result, grievances have dropped to three or four per month.

Parker Sweeper Company

During an informal visit with representatives of Parker Sweeper Company and the UAW, it became evident to the mediator that the industrial relations climate at the Springfield, Ohio, plant was at low ebb. There was an abnormally high backlog of unsettled grievances that had resulted in several wildcat strikes and production slowdowns.

The parties consented to meet under the auspices of the Service is an effort to clean up the backlog of grievances. As a result, resolution was achieved in 40 grievances.

After contract negotiations were concluded, the mediator conducted a series of foremen-steward meetings with the objective of reducing the frequency of grievances. Candid discussions gave each party a better understanding and insight into the other's behavior and problems.

Mainly due to this preventive activity, the number of grievances filed has been reduced to seven in the past ten months as compared to over 100 in the preceding

ten-month period; and all seven grievances were resolved without arbitration.

Navy, Puget Sound

The Service was involved in the Puget Sound Naval Shipyard Exchange-AFGE contract negotiations which had been narrowed to one issue, binding versus advisory arbitration. After two joint conferences, the mediator determined that an agreement would not be reached without first clearing up the existing lack of communication between the parties.

In addition to the formal bargaining committee, an informal labor-management committee was established which included stewards and department heads as well as policy-making personnel.

The most pressing problem in both committees was the allegation that answers could not be obtained to daily problems without making grievances out of gripes, and that an "eye for an eye" attitude existed.

During the first joint meeting, the mediator merely observed the proceedings for the first hour, after which he determined that the reason problems were not being solved was that both parties brought in side issues until the original problem was lost to the discussion. As a result, long meetings would end in nothing being resolved and in deteriorated relationships.

The mediator then assumed chairmanship of the committee. An agenda of eight problems was prepared and, through discussion leadership by the mediator, seven of eight problems were resolved to the satisfaction of both parties. One issue was tabled until the next meeting to allow the gathering of more facts.

Following this session, the mediator met privately with both parties to urge the spokesmen to assert more leadership during the joint meetings by not allowing side issues to creep into the discussions.

At the next two monthly meetings, all problems raised by both sides were resolved by the parties being urged to stick to the subject, admit erroneous information and seek areas of compromise. Both sides were immensely pleased that daily problems were being resolved without constant hostility.

The parties subsequently resumed negotiations on the collective bargaining agreement, and a three-year contract was signed without further mediation assistance or use of the federal impasse procedure.

Pillsbury Company

Following a 31-day strike in this food processing plant in Louisville, Kentucky, both the Pillsbury

Company and the Grain Millers Union representatives expressed misgivings about settling contracts in the years ahead. The past several negotiations had resulted in strikes at the 950-employee facility. In addition, there had been a sprinkling of wildcat stoppages.

Because of company and union strong concern about the existing labor relations climate, the mediator suggested a conference in an effort to develop a meaningful training program. Out of this meeting came an agreement to participate in a joint training program for foremen and stewards. Five mediators and one outside representative of labor and one of management conducted 13 sessions involving approximately 45 company and union personnel.

These activities have been instrumental in providing the parties with hope that the coming negotiations will be concluded without experiencing work stoppages that have plagued the bargaining in the past.

The company is presently in the midst of an expansion program. Both sides feel the present improved labor-management climate has brought about an atmosphere of cooperation and understanding that will be profitable and worthwhile to the company, the employees, the union and the public.

Roosevelt University

This preventive activity is significant because it illustrates that parties with a mature approach to collective bargaining may face obstacles which can best be overcome with the help of third parties. Representatives of Roosevelt University in Chicago and the Office and Professional Employees International contracted the mediator after an apparent impasse in "early bird" negotiations threatened their good relationship.

The mediator met with the parties in joint and separate conferences and succeeded in having them reaffirm their commitment to successful early bargaining.

As a result of the sessions in which the mediator operated in a classic catalyst role, the negotiations were again pointed toward reaching an early agreement and this goal was realized.

The parties were genuinely pleased with their ability to meet their mutual needs in a manner which promised long range value and stability.

Safeway Stores

A wildcat strike in the West Coast Distribution Center of Safeway Stores, Inc., in Richmond, California, led to a serious effort by both top management and Teamster inion leadership to improve the day-to-day relationship in the plant. Based on a rapport with both sides from last contacts, a mediator was asked to help reactivate a abor-management committee to improve attitudes and ry to divert thinking on both sides into more construcive channels.

A series of six joint meetings was attended by a group of about 40 supervisors, managers, business agents, tewards and committeemen, along with Safeway's orporate industrial relations staff men and the union's ecretary. The underlying problems dealt with were beenteeism, disciplinary procedures, declining productivity and mistrust by both parties at the lower levels.

The mediator played an active role in promoting and arthering discussion and in the search for solutions, his eventually led to a series of joint committee policy atements on various problems which would serve as a side to future conduct by both sides. The mediator-led essions culminated in an all-day program in which necessions were reviewed by the personnel oncerned with administering the procedures.

The mediator dropped out of active participation at is stage and encouraged the parties to proceed further their own. The joint committee continued regular onthly meetings through the year.

Both parties expressed their genuine appreciation for e FMCS involvement which they believe has helped em turn a corner toward a more productive reltionship.

ixial Security Administration

At the suggestion of the Service in 1967, a task force union and management officials visited the six Social curity Payment Centers in the United States. As a sult of the visit to the Long Island, New York Payment enter, one of the task force's recommendations was to effer a course stressing communications and human ations to supervisors and stewards in this 3,000-coployee facility. It was hoped that this type of training buld lead to a better relationship on a day-to-day basis.

To date, several courses have been presented by the Srvice. Emphasis has been on proper grievance handling a well as communication and human relations.

Both management and AFGE Union spokesmen port that the parties' relationship has definitely impoved and, to a certain extent, credit the Service's tining efforts for this result.

Tatcher Plastic Packaging

A 26-day strike occurred in the 1971 negotiations between Thatcher Plastic Packaging (Division of Dart

Industries) and the Chemical Workers. It was evident to the mediator throughout the negotiations that the parties' relationship had deteriorated and communication at every level was poor. Both sides recognized the problem, and as part of the strike settlement the mediator recommended a course of action for the 525-employee Muscatine, Iowa plant which the parties adopted.

Weekly meetings are held at the department level for the steward and the foreman to record and discuss problems. Unresolved problems go to the next step, a labor-management committee. This joint committee meets monthly to handle the problems. The mediator monitored several of the initial sessions to insure that they were working properly. Training programs were set up for management at all levels and for union officers, stewards and interested members.

Prior to the preventive program, every problem was pushed up to top management and union officials for resolution. This practice has now been reversed with most problems handled at the department level.

Thirty-one written grievances were filed in the nine months preceding the preventive activity. That number has been reduced to 17 in the nine months during and following the new procedures.

Both parties report that the labor relations climate has significantly improved and that the weekly and monthly labor-management meetings are continuing to promote stability.

United Auto Workers

The leadership of four UAW Regional Offices in Metropolitan Detroit utilizes FMCS as an educator and consultant on the responsibilities of union and management representatives under a labor-management agreement.

Since 1956, representatives of the Service have been invited each year to conduct workshops at the UAW Summer School Institutes for Stewards and Committeemen. The sessions deal with rights, restrictions and responsibilities under a collective bargaining agreement. Classes have included the history and development of labor-management relations during the past 200 years; the role of the government in furthering labor-management relationships; the sanctity of a company-union agreement; good faith relationship between the parties; the essence of democracy through the grievance procedure; the use and abuse of representation responsibilities by both union and management; the art of communication as a basis for mutually improving bargaining results and relationships.



Federal mediators are active in training stewards and supervisors in better ways to settle job site problems. Here Detroit building trade, stewards receive certificates on completion of training course.

The classes have ranged from 40 to 150 in size. Some locals have made these classes prerequisites for assumption of official responsibilities in the shop. Management personnel who work with those union officials are made aware of their union counterparts' participation in the sessions. These company representatives are often met with more responsible conduct on the part of union participants and as a result, the Service is called upon to develop programs for company supervisors and other management personnel.

Wirz - Teledyne

The Service participated in the negotiations between District 50 and A. H. Wirz - a Teledyne Company in Chester, Pennsylvania, employing 350 people.

After settlement, the company and union sought the mediator's guidance relative to a situation which was leading to a breakdown in relations.

The parties had already utilized an arbitrato who was limited to rule on whether there had beer a change in method instituted on a job by the company. He ruled affirmatively but since there was neenabling contract provision, the union was stymied in attempts for relief.

One labor-management committee meeting was hele to discuss the problem and, at the mediator's suggestion a full committee inspection of the challenged job was made in comparison with closely related jobs. This resulted in a new rate which was developed in furthe joint discussion on the same day. Tensions were relieve and a normal relationship resumed.

Figure 11-Preventive Activity Workload Summary, Fiscal Year 1972

Total Preventive Activity Cases Closed	523
Total Meetings Conducted	2781
A. Joint Meetings	1224 1557
Types of Activity	
A. Combined Labor-Management Committee, Consultation-Liaison, Training	15
B. Labor-Management Committee, Consultation-Liaison	58
C. Labor-Management Committee, Training	3
D. Consultation-Liaison, Training	81
F. Labor-Management Committee only	141
F. Consultation-Liaison only	93
G. Training only	207

Mediation in Public Employment

FEDERAL

With the rapid organization of public employees at all levels, many labor-relations historians predict that the 1970's will become known as the decade of the public employee. Very little that has happened in the first two years of this decade would contradict that statement.

In the Federal sector, 53 percent of all bargaining units are now organized. This is more than twice the percentage of workers organized in the private sector.

The rapid rate of organization in Federal bargaining units has been related directly to the increased workload of FMCS mediation in all areas of mediator participation.

Under Section 16 of Executive Order 11491, the FMCS is given the responsibility of providing mediation services and assistance to Federal agencies and employee organizations in the resolution of negotiation disputes. The Executive Order also states that the Service shall letermine under what circumstances and in what nanner it shall proffer its services.

Subsequent to the signing of the Executive Order on October 29, 1969, the Service issued regulations which outline its policies under the Order and the types of ervices available to the parties, as follows:

- 1) Dispute Mediation. The Service may proffer its ssistance in any dispute, except as provided in Section 1(c) of the Executive Order, when earnest efforts by he parties to reach agreement through direct negotiation have failed to resolve the dispute. (Section 11(c) oncerns an issue which develops as to whether a proposal is contrary to law, regulation, controlling greement or the Executive Order and therefore is not egotiable.) When the existence of a negotiation dispute omes to the attention of the Service through a specific equest for mediation from one or both of the parties, the Service will examine the circumstances concerning the dispute; and if, in its opinion, the need for mediation earlies reach agreement.
- 2) Preventive Mediation. The Service may make vailable educational and other preventive mediation prvices in order to build constructive and cooperative plationships between the parties and to handle specific

labor-management problems apart from formal agreement negotiations.

3) Arbitration. The Service will, on request, provide a panel of arbitrators from its roster, under the rules and regulations set forth in the FMCS arbitration procedures, for the resolution of employee grievances or disputes involving the interpretation or application of an existing agreement. The Service will not proffer mediation assistance in grievances.

In order that the Service may provide assistance to the parties, notice of the desire to amend, modify or terminate an existing agreement shall be given to the appropriate regional office of the Service. This notice shall be filed with the Regional Director of the region in which the negotiations will take place. The notice shall be filed by the party initiating the negotiation at least 30 days prior to the expiration of an existing agreement. Parties entering initial-agreement negotiations may also request the assistance of the Service by filing such notice. FMCS Form 53 has been provided by the Service for use by the parties filing such notice.

Upon receipt of the notice, Regional Directors will assign the dispute situation to our local mediator staff, which will contact the parties and ascertain the degree of criticality in the impasse and proffer FMCS assistance.

In 1970 the Service made 63 assignments in Federal disputes. Of these, 37 resulted in activity in which Federal mediators assisted at the joint bargaining table. Fiscal 1971 saw an increase to 385 assignments and 101 active joint cases.

At the end of Fiscal Year 1972, the Service had made 309 Federal assignments of which 180 cases needed direct bargaining table assistance in dispute mediation.

Of the 309 assignments, 157 were initial contract situations resulting from recently won representation elections. The remainder were of the contract renewal variety of dispute.

Of the 180 active cases reported in Fiscal 1972, 135 were closed with settlements and the remaining 45 negotiations continued into Fiscal Year 1973.

The Federal Service Impasses Panel received 27 appeals from the parties for intervention. Of the cases

appealed to the FSIP, three were settled during the fiscal year. The remaining cases are either still pending with the Panel, referred back to the parties for further negotiations, or directed to the Federal Labor Relations Council on negotiability questions.

The average time taken by the Service to close Federal case assignments where there was no appeal to the Impasses Panel was six months. Of the cases appealed to the Impasses Panel, the average time taken for each case from assignment to the end of the fiscal year was slightly less than 12 months. Some of these cases were carryovers from the previous fiscal year.

The average number of issues faced by mediators in the Federal sector was 2.4 as compared to 4.9 percent in the private sector.

The three most prevalent issues brought up in negotiations in the Federal sector continue to be: (1) grievance arbitration procedure, (2) whether bargaining should be done during normal working hours, or not, (3) cost of check-off.

The number of joint meetings chaired by a mediator in the average 1972 Federal case is 3.3 compared to private sector mediation where the experience was 3.6 meetings per case.

The American Federation of Government Employees has appealed to the Federal Service Impasses Panel more than any other Federal sector union—12 times. The International Association of Machinists and the Association of Civilian Technicians have petitioned the Panel

three times; the National Federation of Federal Employees, National Association of Government Employees, and the Metal Trades Councils twice each. The Navy Department has had disputes go to the Impasses Panel nine times; Department of the Army four times; the National Guard four times; the Defense Supply Agency and Justice Department twice each.

The Service found that the AFGE was also their best customer in negotiations which did not involve the impasses panel. The AFGE participated in mediation 89 times, the NFFE 11, NAGE 9, and Metal Trades Councils 7 times. Twelve other unions were involved in active mediation in the remaining cases.

Union priorities seem to continue in the lobbying area rather than in bargaining.

Most of the mediator's Federal sector time is still devoted to preventive mediation and to helping the parties learn their bargaining responsibilities. The reverse is true in the private sector where dispute mediation is dominant.

In preventive activity during the past fiscal year, there were 261 training-type situations in the Federal area. Some of these were steward-foreman training programs, joint labor-management committees, and training in collective bargaining, communications, and human relations. It is anticipated that both dispute mediation and training will continue to increase in about the same ratio through the next several years.

SIGNIFICANT CASES

Veterans Administration Hospital and AFGE Local 1168, Bronx, New York

In a negotiation that lasted 21 months, the parties finally came to agreement over outstanding issues:
1) grievance procedure, 2) adverse action, 3) past practice, 4) hours of duty. The mediator held 16 joint conferences and one separate conference during that time. There are 1200 employees in the bargaining unit.

U.S. Naval Air Station and IAM Lodge 739, Alameda, California

In an initial negotiation that lasted six months the parties signed a 24-month agreement after having negotiated on: 1) term of contract, 2) hours of work, 3) adverse action, 4) plant visitation by union representatives, 5) contracting out.

Six mediation conferences were needed to assist the parties in this agreement. There are 500 employees in the bargaining unit and 7,000 in the establishment.

U.S. Army Aviation Center and Laborers International Union, AFGE Local 1054, Fort Rucker, Alabama

This negotiation is one of the few in the Government sector where the parties bargain over some form of economics. This bargaining unit of 379 employees negotiated from January 18, 1971, until May 22, 1972 before agreement was reached. Six joint mediation conferences were held over a 16-month period.

Some of the issues in this dispute were: 1) overtime 2) night differential, 3) job classification, 4) vacations and holidays, 5) grievance and arbitration procedures.

The scope of bargaining in this case is similar in many ways to private sector bargaining.

Social Security Administration, Bureau of Retirement and Survivors Insurance and six AFGE locals

This negotiation was held in Baltimore, Maryland, and was a coordinated effort for large welfare benefit payment centers at San Francisco, Kansas City, Chicago, Birmingham, Philadelphia and New York.

The combined bargaining unit for the centers totaled 6,000 employees. The entire mediation effort was completed in two joint meetings.

The issues resolved were checkoff, job classification guarantees, management prerogatives, and working conditions.

The union at first rejected the negotiated settlement, but eventually ratified after one further mediation session.

NON-FEDERAL

The FMCS has continued its policy of making its ervice available in important disputes involving public ector parties who do not otherwise have access to lispute resolution machinery. With each succeeding 'ear, this Service becomes more popular and more videly used. Even though some States and municipalities ave recently passed legislation governing public sector ibor relations, a void still exists in many States.

As a result, the FMCS has continued its strict ground ules which must be met prior to its involvement. That olicy, set in 1965 and still in force, limits such activity situations where no other mediation assistance is vailable and specifies that:

- Requests for FMCS assistance must be screened in the Service's Washington office, and the ultimate decision to intervene is made there. Local government officials and union leaders can inquire about FMCS assistance at the agency's regional offices, but formal requests will be passed on to Washington.
- 2) Formal requests for assistance must be made jointly by both parties to a dispute.
- 3) To be considered, the dispute must be at an impasse and both parties must certify this deadlock has developed after genuine bargaining efforts have been made.
- 4) Both parties must agree to allow the FMCS to designate and assign a mediator to their dispute.
- 5) Mediators assigned will be made available for only a limited time or a limited number of joint meetings as determined in each dispute.

In addition, the FMCS will provide disputants with incls of arbitrators from which they may select salified neutrals to decide issues. In some situations the MCS will assist in training third-party neutrals in ediation, factfinding, and arbitration. There is no fee or these services.

By making mediation available to public sector irgainers, the Service is able, in last-resort and exceptional situations, to head off labor strife in a highly charged and volatile area of our economy.

FMCS participation took place in 23 of the 50 States. Fifty-three percent of all cases took place in Illinois and 10 percent in Ohio. The remaining States had from 1 to 5 cases each. Neither Illinois nor Ohio has a comprehensive public sector labor law.

FMCS mediators have discovered that bargaining in the non-Federal public sector is similar in many ways to bargaining in the private sector. As a result, the staff has been able to adjust to this situation readily and employ conventional mediation techniques used in the private sector.

During Fiscal Year 1972, the Service received 141 joint requests for dispute mediation assistance in the non-Federal public sector. Mediators actively assisted the parties at the bargaining table in 109 of these situations; in the balance, the mediation assistance was of a less formal nature. Full agreements were made and ratified in 97 of the 109 situations where mediators took part actively.

Seventy-five percent of all such requests to FMCS this year came from Boards of Education and teacher unions. Fifteen percent came from municipalities and their employees (police, fire, sanitation, parks), eight percent from universities, four percent from hospitals and their workers, and five percent from publicly-operated utilities.

The National Education Association was involved in 55 percent of all FMCS public sector cases in Fiscal Year 1972, AFSCME 15 percent, AFT 4 percent, IAFF 4 percent, and 9 other unions were involved in the remainder of the cases.

Eleven negotiations went on to factfinding and one went to binding arbitration.

During the fiscal year, seven strikes occurred in non-Federal public sector cases handled by the Service, or 6.4 percent of the cases. This is down considerably from the 25 percent in 1971. By comparison, strikes

took place in 14.1 percent of the private sector cases in which mediators participated.

Seventy-three percent of all agreements were for 12 months, 18 percent for 24 months, and 8 percent for 6 months. In 1971, 27 percent of all agreements negotiated with FMCS assistance were for 12 months, 20 percent were for 24 months, and 1 percent for 36

months; 52 percent were for odd numbers from 4 to 26 months.

In fiscal 1972 the average number of meetings held in settling a public sector case jumped from 3.6 to 4.6 meetings. Mediators were involved in a total of 503 joint conferences. The average number of issues discussed in mediation was 3.7.

SPECIFIC CASES

Albuquerque Public Schools and Albuquerque Classroom Teachers Association (NEA)

This negotiation involved 3500 teachers in metropolitan Albuquerque. After three meetings with an FMCS mediator, the parties came to agreement on a new 35-month contract.

Memphis-Shelby County Hospital and AFSCME, Local 1733, Memphis

After bargaining round-the-clock for 52 straight hours, 2000 hospital employees negotiated a 36-month contract with the county. A strike was avoided at the settlement.

Illinois School District 110 and Teachers Council 110 (Independent), Deerfield, Illinois

After two negotiating sessions the parties came to agreement over wages, conditions, and a 12-month

contract. They also agreed to establish a labor-management committee as a means of effectively receiving and using teacher input during the course of the contract.

City of Akron (Ohio) and AFSCME Local 1360

After 16 mediation sessions and a 16-day strike, 800 sanitation employees agreed to a 36-month agreement. The mediators held nine meetings before the strike and seven afterwards. The impasse was over wages, health and welfare, vacation, and pensions.

Department of Education, State of Hawaii and State Teachers Association (NEA), Honolulu, Hawaii

After 36 mediation sessions, the parties to this agreement ratified their initial agreement under the new Public Employment Law for Hawaii. The parties bar gained over ten issues from October 30, 1971, until the agreement was ratified on March 2, 1972, covering 9,700 teachers.

Arbitration

ntroduction

Arbitration, as practiced in the American industrial elations system, is a private dispute settlement process reated by agreement of the parties. It is intended to be mechanism by which mid-contract disagreements can e settled swiftly and with finality. The traditional dvantages of the system over other means of conflict esolution include its informality, its speed, its low cost nd the freedom it affords the arbitrator to fashion emedies to specific problems within the authority ranted to him by the parties. In spite of the validity of urrent criticism of some characteristics of contempoiry labor arbitration, the evidence of its growing use learly indicates that, within the current economic and idustrial relations environment, the process continues to njoy the confidence of labor-management practitioners ; a unique means of resolving disputes.

The Federal Mediation and Conciliation Service has ontinuously recommended that the parties provide in the labor agreements for a grievance procedure and for nall and binding arbitration of those disputes not solved through negotiation. This is consistent with ederal labor relations law which encourages the use of bitration and outlines the responsibility of FMCS. Inder Section 201 (6) of the Labor-Management Relations Act of 1947, it is provided that "... the settlement issues between employers and employees through of the provided by making available full and adequate governmental facilities for conciliation, mediation and voluntary arbitration ..."

ble of the Service

As part of its peacemaking obligation in labor lations, the FMCS maintains a roster of carefully reened, qualified arbitrators in order to assist the littles in the resolution of cases. During the past year, MCS has also increased its continuing effort to improve ad expand those services. As the principal federal ancy providing such services under the Labor Managerent Relations Act, 1947, FMCS has established proclures designed to assist the parties who have contrac-

tually agreed to use FMCS arbitration services and who request the agency to nominate independent arbitrators qualified to hear specific cases at issue.

Responsibility for the Service's arbitration function is assigned to the Office of the General Counsel, FMCS, under Chapter 20, Title 29, Code of Federal Regulations, Part 1404. Upon request, parties will be supplied with the names of seven arbitrators, unless the contract or the parties specify a different number. A copy of a current biographical sketch for each of the arbitrator nominees is also provided which includes information on the arbitrator's background and up-to-date arbitration experience.

The parties usually select an arbitrator from the list by one of a variety of methods. Upon notification to the FMCS, an appointment of the chosen arbitrator is made by the Director of the agency. While FMCS does not maintain an active role in the case, in recognition of the private nature of the relationship between the parties and the arbitrator they have chosen, it does maintain an interest in seeing that the case proceeds properly and in timely fashion, according to the regulations of the Service. The Service will take necessary and permissable actions to insure that a case is processed promptly under the limitations of the agreement of the parties and its own regulations. However, the agency will not rule on matters of arbitrability, the right to submit multiple grievances in one hearing, the definition of issues, or other such procedural matters. While the agency may suggest possible courses of action, it leaves questions of this nature to the parties, the arbitrator or to a court of competent jurisdiction.

The FMCS regulations do not establish any standard fees or other charges made by the arbitrator, nor does the Service itself charge an administrative or filing fee for arbitration services rendered to the parties or to the arbitrator. According to the current regulations, the arbitrator appointed to hear a specific case is permitted to charge a per diem fee according to his stated schedule of fees, filed with the Service. The maximum per diem fee registered by each arbitrator appears on the biographical sketch submitted to the parties whenever he is nominated for a case. Arbitrators may change their per

diem fee schedule only after 90-day advance notice to the Service.

Arbitrators ordinarily charge per diem fees and expenses for hearing days, study days, travel time, travel costs, cost of food and lodging, and other expenses. A growing number of arbitrators are charging the parties for longer than normal hearings, cancellation and administrative or docketing fees. While the current regulations of the Service do not specify such charges, they are allowable especially when the arbitrator establishes the fact that he makes such charges from the inception of a case. Schedules of administrative or cancellation fees are not included on the biographical sketch issued by this agency.

The FMCS procedures do not prescribe specific rules for the conduct of an arbitration proceeding in the interest of flexibility. Hearing procedure, locale, and other arrangements are left to the discretion of the parties and the arbitrator. The agency does expect those engaged in arbitration under its auspices to abide by applicable laws and accepted ethical and procedural standards.

ARBIT System

The major development in FMCS administration of the arbitration function during the past fiscal year was the inauguration of the ARBIT system. This reorganization of arbitration services was initially motivated by the increasing volume of requests and the difficulties attendant upon that growth. However, there were other, euqally important, goals:

To improve arbitration selection and administrative procedures to expedite responses to requests from the parties.

To establish improved monitoring of arbitration activities conducted under FMCS regulations.

To create a flexible system which will absorb anticipated increases in arbitration requests, while maintaining the new time standards. Increases are anticipated from growth of activity in both private and public sectors of industrial relations.

To distribute cases equitably among available arbitrators.

To develop the capability of responding to requests specifying more refined arbitrator experience criteria.

To identify national arbitration requirements for the development of new arbitrator resources.

To determine substantive trends in ad hoc arbitration through research for policy and program purposes.

To attain these goals, a complete reorganization of FMCS Arbitration Services was necessary. The development program included the creation of a computerized data processing system, the revision of administrative and monitoring procedures, and an expansion of the scope of attention given arbitration matters by this agency.

Fundamental to the revision of FMCS Arbitration Services was the creation of a computerized arbitration information system called ARBIT. The name was formed from the first letters of the larger descriptive title, the FMCS Arbitration Information Tracking System.

ARBIT, a time-shared on-line system, is capable of maintaining and producing data necessary for rapid and accurate arbitrator panel selection, with a virtually unlimited capacity of record storage and an ability to select arbitrator information from those records almost instantaneously.

Upon receipt of a request for a panel of arbitrators from parties about to enter arbitration, FMCS requests the ARBIT system to supply the names of all the arbitrators on the roster who practice in or near the place where the arbitration is to be held, and who meet other specific criteria set by the parties.

Once the panel is selected, the records maintained by the computer will be automatically posted and letters will be produced by high speed printers, notifying the parties of the nominees. The ARBIT system will maintain current information on the status of cases by arbitrator's personal file, by company file, and by unior file. Subsequent activity in the case will be monitored posted, and followed up as it progresses through to the appointment of an arbitrator, the hearing of the case and the filing of an award to close the case. By the use of automatic time thresholds established for each case the ARBIT System will monitor the progress of each case and notify the General Counsel where delays at any stage seem imminent.

A special feature incorporated into the system is the automatic production of current biographical sketche which accompany panels sent to the parties. Such current information is important to those selecting arbitrators and the arbitrators themselves since they will insure more accurate evaluation and selection on the one hand and improved presentation of arbitrator skills and experience on the other. This feature is especially important to new arbitrators seeking increased accept ability since their biographical sketches will immediately reflect each increment of experience they gain is completing cases for which they are selected.

In addition to improving the quality and efficiency of FMCS Arbitration Services, it is expected that the

RBIT system will insure a more equitable distribution f cases among available arbitrators. Through the autolatic display of current case nominations, appointlents, and awards with each arbitrator's name, the
perator will be able to choose arbitrators who are
railable for prompt hearings, avoiding the continued
eavy use of arbitrators already burdened with case
ack-logs. Similarly, information on arbitrators who are
irrently unavailable, special requirements of parties,
and other notes will be included in the system.

olume of Arbitration

The statistics of arbitration activity given in Figure 12 flect the continued increase of requests made to the MCS for panels of arbitrators. During FY 1972 quests for panels or direct appointments reached 3,005 as compared to 12,327 the previous year, an crease of 5.5 percent. It should be noted that even hen the parties request a direct designation, a panel is dinarily submitted to them to preserve the element of coice in the process. It is only when the parties insist 1 a direct designation or when it is the only alternative at a direct designation is made. Panels submitted icreased to 13,842 from 13,235 the previous year presenting an increase of 4.6 percent. This figure is the m of panels submitted in response to original requests jus those sent when earlier panels were rejected by the irties. The phenomenon of second panel requests is Gcussed later herein.

Appointments of arbitrators made by this agency nounted to 6,263 in FY 1972 with 3,438 awards ported in the same period. During FY 1971 5,759 apointments were made, resulting in 2,840 reported wards, an increase of 21.1 percent. Ten years prior, in 1/2 1962, FMCS appointed 2,555 arbitrators to cases ad they reported a total of 1,733 awards.

The difference between the number of panels subitted for impending cases and the number of appointients is mainly accounted for in the frequency of settlement of cases by the parties after a panel is submitted to them and before the arbitrator is appointed. In some fewer cases, the parties may simply contact the arbitrator directly without notifying the FMCS of their choice, thereby precluding any monitoring by the Service of that case.

The lower frequency of awards in relation to the number of appointments is explained by the same phenomenon of settlement by continuing negotiations after an arbitrator has been appointed. Arbitrators frequently mention the constant factor of cancellations as an impediment in scheduling cases properly and it is this same factor which motivates some arbitrators to establish a schedule of cancellation fees.

While FMCS has noted the frequency of cases which do not go to award, it views the resolution of a dispute through continued negotiations as desirable since a mutually acceptable negotiated agreement is the preferable settlement method.

Regarding the frequency of second panel requests mentioned earlier, it should be noted that the Service is willing to respond to requests for additional panels when the parties have rejected all the nominees submitted on the previous panel and the contract governing the collective bargaining agreement stipulates the use of additional panels.

Such second panel requests are of concern to the agency because they do contribute significantly to time delays in each case. Upon individual checks of over 50 percent of requests of this nature, it has been discovered that those employers and unions who have a higher incidence of second panel requests are usually not using methods of selection such as those recommended by the FMCS procedures. Those procedures suggest that the parties:

- (1) at a joint meeting, alternately strike names from the submitted panel until one remains, or
- (2) each party separately advises the Service of its order of preference by numbering each name on the panel.

Figure 12.-Arbitration Unit Workload - Fiscal Years 1963-1972

Activity	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
Fquest for panels or direct appointments	4,279	4,791	5,048	5,654	6,955	7,809	8,479	10,055	12,327	13,005
Fiels submitted	4,497 2,757 1,618	5,172 3,182 1,952	5,453 3,333 1,887	6,255 3,430 2,441	7,623 3,953 1,967	8,630 4,175 2,309	9,679 4,493 2,640	11,124 5,318 2,849	13,235 5,759 2,840	13,842 6,263 3,438

Another cause of frequent second panel requests and consequent increases in cost and delays is the request for an insufficient number of arbitrators. The incidence of such requests in the private sector is higher when the number of arbitrators requested is less than the normal number of seven.

Costs and Delay

Critics of contemporary labor arbitration have cited the fact that the process is frequently becoming too time-consuming and too expensive. An examination of Figures 13 and 14 is important in evaluating the causes of such developments. Initially it should be noted that the total time between the request for a panel from FMCS

and the submission of an award averaged 166.4 days in FY 1972. This is a brief reduction in time from the average of 168.2 days in the previous fiscal year. FMCS itself was responsible for some of this lapsed time in that it took average of 15.1 days to respond to a request this year, or four calendar days longer than the previous year. This increase in processing time was caused by the staff work required in handling a higher case load under the older manual system while simultaneously developing the ARBIT System. It is expected that this average processing time will be significantly reduced in the future.

Perhaps the most significant figures in any consideration of delays should be the total time elapsing from the original filing of a grievance to the final submission of

Figure 13.-Average number of days required to complete arbitration cases, 1968-72

Fronts in the span	Fiscal year						
Events in the span	1968	1969	1970	1971	1972		
Time between filing of grievance and request							
for panel	77.9	77.6	81.4	83.3	75.1		
Time between request for data and sending	8.1	9.2	7.8	11.1	15.1		
Time between date list is sent and appointment.	40.7	39.9	44.3	46.0	43.8		
Time between appointment and hearing	61.2	63.7	63.1	63.4	61.1		
Time between hearing and award	47.4	50.3	49.0	47.7	46.4		
Total time between request for panel and							
arbitration award	157.5	163.1	164.2	168.2	166.4		
Total time between filing of grievance and arbitration award	235.4	240.7	245.6	251.5	241.5		
Number of cases sampled	600	643	722	719	850		

Figure 14.—Changes in average costs and average time charged in arbitration cases, 1968-72

Cost items and time					
charged -	1968	1969	1970	1971	1972
Total charges (dollars).	513.12	511.06	539.88	566.59	590.12
Rate per day (dollars)	141.45	145.09	156.83	163.88	172.53
Fee charged (dollars)	441.87	435.03	457.97	480.88	510.52
Expenses charged (dollars)	71.25	76.03	81.91	85.71	79.60
Total time charged					
(days)	3.07	3.03	2.93	2.96	2.96
Hearing time charged (days).	1.00	.95	.92	.92	.91
Travel time charged (days)	.32	.38	.35	.39	.36
Study time charged (days)	1.75	1.70	1.66	1.65	1.69
Number of cases sampled	600	643	722	719	850

the award. This figure, given in Figure 13 for the first time, indicates that the average amount of time required in fiscal 1972 was 241.5 days. While this is a reduction from the two previous years, further improvement is desirable for a process designed to be expeditious. Figure shows that the time periods used up by the parties prior to requesting panels, choosing panels, setting hearing dates, and the period between hearing and award, are substantial.

This should not be taken as assigning the responsibility for delays on the parties alone. It is a fact of industrial relations that the parties may be using the arbitration procedure as a way of permitting negotiations between the parties to continue. The difference between the number of panels requested and the number of awards rendered demonstrates that the parties frequently settle the dispute by negotiation. Again, the Service does not wish to influence the parties to complete arbitration cases when in time they would settle the dispute through negotiation.

In addition, in some cases the parties may be protracting the proceedings to provide time for a given grievance situation to mature. Then, the matter may eventually go to arbitration, it may go to negotiation, or the case may even be closed without further action. When the parties wish to move a case quickly to irbitration, they can accomplish a great deal by speeding he matter through their own processes and then equesting the appointing agencies to handle their cases on an accelerated basis. The delays in arbitrators ubmitting awards are caused in a significant portion of cases by representatives of the parties requesting delays o submit post-hearing briefs. The arbitrator then rejuires more time to study the case and to prepare his ward. Many arbitrators feel that not only is there often 10 need for post-hearing briefs because of the nature of he case, but that prehearing statements would be more iseful. They also would be instrumental in minimizing he time required for the hearing and preparation of the

Figure bears on the recurring questions of the mounting costs of arbitration. Based on a FY 1972 sample of 350 cases conducted under the auspices of the Service, it was found that the average fees and expenses charged by rbitrators increased from \$566.65 in fiscal year 1971 to 590.12 in fiscal 1972. While arbitrators' charges in adividual cases may have exceeded the average amount, he overall trend to significantly increasing costs must be ttributed to factors other than arbitrators' charges. If he parties selected arbitrators in their own area and tilized simplified procedures in less complicated cases which would require fewer peripheral services (such as ranscripts and briefs), some factors contributing to

mounting costs would be eliminated. To illustrate the point, transcripts were taken in 186 of the 850 cases sampled. That same sample showed that briefs were filed in 553 instances, thus creating additional costs and contributing an average of over 26 days to the total time required for submission of an award.

Arbitrator Qualifications

In addition to the problems of increasing costs and delays which are creating concern among the parties, there is also the problem of the supply of arbitrators. The FMCS has maintained a roster of qualified and acceptable arbitrators for the use of the parties since its inception. Having abandoned the practice of supplying arbitrators who were paid staff members of its predecessor agency, the U.S. Conciliation Service, the FMCS assembled a qualified roster of independent neutrals in 1947. Since that time, the Service has screened applicants to the roster and supplied their names to the parties for specific case hearings. The Service has consistently required that those admitted to the roster be both knowledgeable in the field of industrial relations and enjoy acceptability among potential users.

The FMCS receives inquiries about new appointments to its roster of arbitrators at the rate of approximately 25 a month. During fiscal year 1972, 34 new arbitrators were appointed to the roster while 45 were advised after full evaluation that they lacked adequate qualifications or acceptability, or both. These determinations are based on an evaluation of an applicant's credentials and field checks of his acceptability to the labor-management community in a given area. The remainder of the inquiries received during FY 1972 was made up of applications still being evaluated or those that had been withdrawn.

To obtain a profile of the arbitrators appointed in FY 1972, a background analysis was made. By age, 28 percent were between 30 and 40, 28 percent between 40 and 50, 23 percent between 50 and 60 and the remainder were over 60. By profession, the successful applicants categorized themselves as consultants (14.9 percent), full-time arbitrators (23.8 percent), professors (23.8 percent) and attorneys (37.5 percent). By education, 23 percent had master's degrees and over 10 percent had doctorates. These figures do not include professional degrees. Over 85 percent reported extensive experience in industrial relations while almost 27 percent reported public sector experience.

The successful applicants all met established qualifications, but the parties, once faced with the need to choose an arbitrator from an FMCS panel, tended to choose the more experienced arbitrator. While it is

difficult to determine the criteria of the parties for selection of arbitrators in general, the parties appear reluctant to use newer arbitrators even though their availability assures more prompt disposition of cases and in spite of the fact that their per diem fees are lower in most cases. The overwhelming majority of arbitrators selected from the almost 14,000 panels supplied last year were among the more experienced one-third of the panel.

The roster has therefore never been considered a means of entry into the field by those who aspire to be arbitrators. The Office of the General Counsel has had the responsibility of evaluating applications and field check reports on their acceptability to the parties before submission of an applicant's name to the Director of the agency. The field check involves both a check of references given by the applicant, but more importantly, an inquiry among other members of the labormanagement community as to the acquaintance of the parties with the reputation of the applicant and their reactions to him as a potential neutral. If the applicant is unknown or unacceptable to those who might choose him, he does not meet the required standards of the agency. By taking this posture, the Service has opened the roster to those who have established a reputation as arbitrators or who have created a reputation in industrial relations or a related field which is virtually equivalent.

To stimulate the use of newer arbitrators, the agency has re-designed the biographical sketch and established a method of automatically updating this information each time a new case is closed. This insures that up-to-date information on current experience of the newer arbitrator is placed before the parties when they are nominated. In addition, special efforts are being made to insure that newer arbitrators are nominated regularly and to a variety of cases. The parties are also being encouraged to use newer arbitrators whenever there is a need to arbitrate a case more expeditiously or less expensively. The periodic monitoring of arbitrator use patterns made possible by the ARBIT System will assure a rational and judicious nomination of arbitrators and should lead to a broader use of the roster.

Arbitrator Training

The Service has been engaged in an experimental program for the development of arbitration talent during the last year. In cooperation with the National Academy of Arbitrators, and the American Arbitration Association, FMCS has joined with the Industrial Relations Research Association for Western New York in a year long effort to train new arbitrators for use in that area. The need for arbitrators plus an interest among the sponsoring agencies led them to initiate a program which might serve as

Figure 15.—Frequency of occurrence of issues in cases in which arbitrators selected from FMCS panels made awards, fiscal year 1972

Issue ¹	Frequency of occurrence
General issues:	
New or reopened contract terms	29
Contract interpretation or application	2,586
Specific issues:	2,500
Discharge and disciplinary actions	1,226
Incentive rates or standards	77
Job evaluation	387
Seniority ²	646
Overtime ³	363
Union officers—superscniority and union	
business	21
Strike or lockout issues	18
Vacations and vacation pay	132
Holidays and holiday pay	101
Scheduling of work	182
Reporting, call-in, and call-back pay	77
Health and welfare	51
Pensions	21
Other fringe benefits	92
Scope of agreement ⁴	211
Working conditions, including safety	48
Arbitrability of grievance ⁵	261
Miscellaneous	237

¹ Compilations based on the number of arbitration awards for which data were available; that is, 3,414 of the 3,432 awards. Some awards involved more than one issue.

²Includes promotion and upgrading (137), layoff, bumping, recall (327), transfer (96), and other matters (86).

³ Includes pay (172), distribution of overtime (172), and compulsory overtime (19).

⁴ Includes subcontracting (92), jurisdictional disputes (47), foreman, supervision, and so on (61), mergers, consolidations, accretion, other plants (11).

⁵ Includes procedural (141), substantive (68), procedural/substantive (32), and other issues (20).

a continuing source of qualified neutrals in the future. An experimental program, the Western New York effort was intended from the outset to both meet the local need for new arbitrators and to serve as an experimental effort to develop new arbitrator resources elsewhere.

The local IRRA Chapter formed a committee of local practitioners both to choose candidates and advise on the program. The committee first established its selection criteria which may be summarized as follows:

- (1) Age: Younger individuals should be encouraged but older ones with potential acceptability can be selected.
- (2) At least 5 years experience in labor relations with labor, management or both. Appropriate fields for the experience include government service college teaching, research in labor relations



wo Federal mediators are given certificates of appreciation by General William Fullilove, Commander of McClellan Air Force Base, Sacramento, California, after FMCS completed training course for 2,000 base supervisors. The base employs 18,000 in aircraft maintenance and overhaul for West Coast and Pacific areas.

education degrees in industrial relations, law, personnel, management, industrial engineering, and so on; actual degree unnecessary where there

- is appropriate and extensive experience in labor relations work, for example, 10 years as a union representative.
- (3) Occupation: Candidates should normally be engaged in labor relations, or educators with appropriate qualification in the field.
- (4) Local geographical area.
- (5) No racial, creed, color, national origin or sex discrimination.

The local labor management committee also supervised both the academic program as provided under the auspices of Cornell University and the counterpart training of the arbitrator-designates.

The 20 arbitrator-designates chosen by the committee reflected some of the current thinking on desirable characteristics but all were marked by high qualifications. Fourteen of the group had no previous experience as neutrals. Six were attorneys, nine were on university faculties of law, business administration, economics, and industrial relations. The group included two blacks and one woman. In terms of age, 12 were under 35, two are

Figure 16.-Geographical distribution of arbitrators on FMCS Roster, fiscal 1972

FMCS region	Number of arbitrators	FMCS region	Number of arbitrators	FMCS region	Number of arbi- trators	FMCS region	Number of arbi- trators
Region 1: New York City, N.Y. Hempstead, N.Y. Albany, N.Y. Syracuse, N.Y. Buffalo, N.Y. Ncwark, N.J.	67 7 7 23 13	Boston, Mass Worcester, Mass Hartford, Conn Providence, R.I Concord, N.H Portland, Maine	29 3 10 1 1 3	Region 5: Chicago, Ill Peoria, Ill Rockford, Ill South Bend, Ind Indianapolis, Ind	6 1 3	Evansville, Ind Milwaukee, Wis Green Bay, Wis Minneapolis, Minn .	1 31 2 22
Region 2: Philadelphia, Pa Pittsburgh, Pa Erie, Pa Parkersburg, W. Va Harrisburg, Pa	36 38 2 6 7	Allcntown, Pa Trenton, N.J Baltimore, Md Washington, D.C Richmond, Va	4 4 9 49 5	Region 6: St. Louis, Mo Cedar Rapids, Iowa. Des Moines, Iowa Omaha, Ncb Kansas City, Mo Wichita, Kansas	5 5 7 11	Oklahoma City, Okla Springfield, Mo Little Rock, Ark Dallas, Texas Houston, Texas	18 3 11 19
Region 3: Atlanta, Ga	13 5 4 41 8 6 20	Chattanooga, Tenn. Knoxville, Tenn Charlotte, N.C Jacksonville, Fla Miami, Fla	6 8 18 15 33	Region 7: San Francisco, Ca Los Angeles, Ca San Dicgo, Ca Fresno, Ca Seattle, Wash Portland, Ore Spokanc, Wash	68 3 2 18 11	Great Falls, Mont Salt Lake City, Utah Denver, Colo Phoenix, Ariz Albuquerque, N.M Honolulu, Hawaii	4 4 16 6 2 4

Figure 17.-Arbitration Awards, by State, Fiscal Year 1972

Alabama	84	Nevada	17
Arizona	17	New Hampshire	2
Arkansas	62	New Jersey	97
California	214	New Mexico	28
Colorado	15	New York	161
Connecticut	23	North Carolina	30
Delaware	8	North Dakota	1
District of Columbia	32	Ohio	404
Florida	61	Oklahoma	62
Georgia	105	Oregon	15
ldaho	8	Pennsylvania	208
Illinois	208	Rhode Island	10
Indiana	196	South Carolina	32
Iowa	47	South Dakota	0
Kansas	25	Tennessee	197
Kentucky	112	Texas	203
Louisiana	66	Utah	2
Maine	5	Vermont	1
Maryland	39	Virginia	52
Massachusetts	32	Washington	32
Michigan	130	West Virginia	64
Minnesota	41	Wisconsin	114
Mississippi	26	Wyoming	3
Missouri	116	Alaska	3
Montana	2	Puerto Rico	3
	17		3432
Nebraska	1 /	Total	3432

between 35 and 40 and the rest were between 40 and 50.

The key concepts in the Western New York experiment are (1) the active, total involvement of representatives of labor and management responsible for arbitration activity, especially in the selection of the candidates, (2) the establishment of the need for arbitrators in a given region, (3) the identification of candidates who have extensive experience and are known in the field of labor relations, (4) inclusion of an academic program which stresses both procedural and substantive aspects of arbitration, (5) preparation of awards by the program participants with seasoned arbitrators' evaluations of their analysis, logic, and ability to communicate.

Comparable programs which might be conducted elsewhere should have similar labor-management sponsorship of the industrial relations community. A vari-

ation on this same principle is evident in those industries which are currently attempting to train arbitrators to be used in the industry. The use of a labor-management committee such as that developed in Western New York would provide the smaller industries and unions a similar means of developing an acceptable cadre of arbitrators for regional use.

Conclusion

Federal Mediation and Conciliation Service continues to provide required arbitration services as a function of its legislative mandate while mindful of its unique relation to the parties. The successful development and utilization of means to maintain the value of arbitration can be achieved only as the parties perceive and use the arbitration function as an integral part of the American industrial relations system.

Administration Management

INTRODUCTION

The primary objective of the Office of Administrative magement is to provide the most responsive, timely, a professional administrative support necessary for the effect to carry out its responsibilities.

During fiscal year 1972, the Service continued its ac policy of fostering progressive management technies commensurate with those in the private sector re the professional staff must work and cope with the olems of top executives in labor and management. Or emphasis has been devoted to administering and incing the operating needs of the 279 professional diators located in Washington, D.C., and strategic estrial areas throughout the United States. Mediators cassigned to prevent or to minimize labor-managet disputes and work stoppages, in order to maintain afree flow of commerce and continuance of essential rees.

continuing efforts are being devoted to the proper election, utilization, appraisal and career development

of the mediator and administrative staff of the Service. During fiscal year 1972 the Service has operated under rather strict budgetary limitations in total staffing which was reduced from 438 positions to 431. Despite these restrictions, the Service was able to cope with the increased dispute case workload. The ability to handle this load resulted from increased productivity and efficiency accomplished through careful shifting of assignments and personnel and through improved administrative procedures.

During fiscal year 1972 the Service selected and appointed ten new mediator replacements due to turnover. The new professionals were appointed by the Director as authorized by the provisions of the Labor Management Relations Act, 1947. There were 11 mediator separations during the year. There were 22 appointments made for administrative and clerical staff replacements while there were 23 separations.

ORGANIZATION

The functional organization chart of the Service Tire 18) illustrates the official management structure number 30, 1972. This structure has been in effect for the years and has provided an effective means of a ying out assigned management responsibilities. The graphic organizational structure is shown in the ephalization map (figure 19).

he national office retains the responsibility for oxy formulation and program development; coordination of regional activities; supervision and coordination he mediation of significant national cases; liaison the Congress, Government agencies and representate of labor and management; public and press rela-

tions; administration of the arbitration program; direction of training activity; and administrative management activities including mediator selection and placement, internal operations and audits, management systems, budget, financial and personnel management and administrative services.

The responsibilities delegated to the regional offices include substantive determination of Service jurisdiction; dispute mediation and preventive activities; local, public and press relations; liaison with representatives of labor, management, elected officials, and civic leaders; participation in meetings and conferences related to labor-management relations; and supervision of regional administrative functions.

Figure 18. Functional Chart

FEDERAL MEDIATION AND CONCILIATION SERVICE

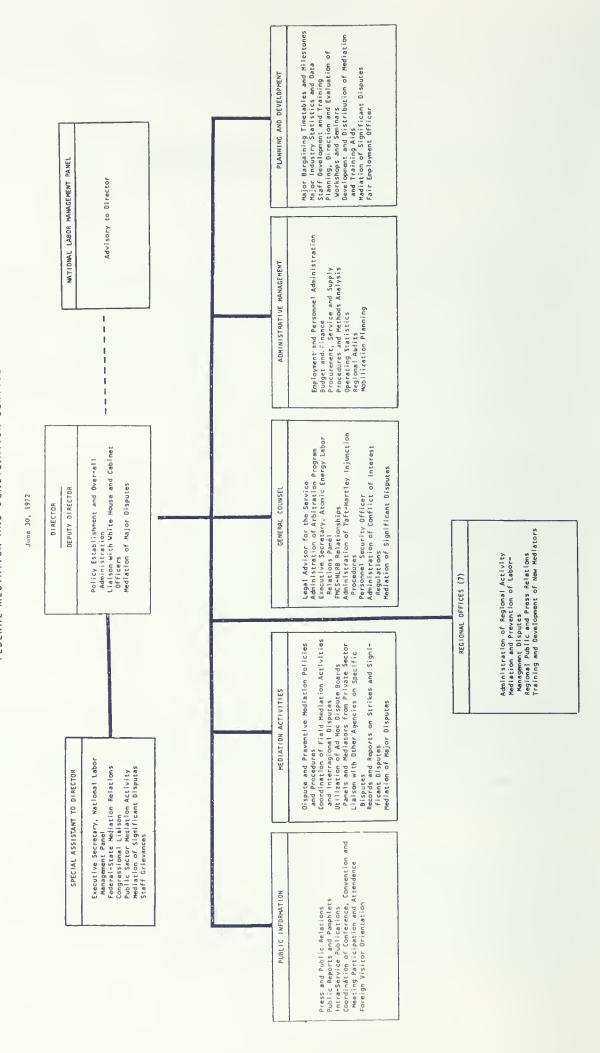


Figure 19. Regionalization Plan-June 30, 1972

MANAGEMENT IMPROVEMENT

Improved Facilities. During fiscal year 1972, the Service improved its field office facilities at the following locations: Buffalo, New York; Providence, Rhode Island; Memphis, Tennessee; Nashville, Tennessee; Cleveland, Ohio; Kalamazoo, Michigan; Columbus, Ohio; Jacksonville, Florida; Cedar Rapids, Iowa; Washington, D.C.; and Pittsburgh, Pennsylvania.

Closing of Field Station. The Fresno, California, field station was closed during the fiscal year and the mediator was transferred to another station.

Average GS Grade. In support of the Administration's efforts to curb expenditures and reduce employment, the Service was below the average GS grade limitation assigned by the Office of Management and Budget. This was possible through its effective budgetary controls and personnel management program.

Civil Service Commission Review. As a result of comprehensive audit review conducted by the Civil Service Commission, the Service's final report on the effectiveness of its personnel management program was accepted by the Commission.

Administrative Conference. During fiscal year 1972 the Service sponsored an administrative conference attended by Regional Administrative Assistants and Voucher Examiners. The purpose of the conference was to review the new travel regulations and to discuss and exchange information on administrative activities of the Service.

Competitive Job Opportunities. The Service's personnel management program was expanded during the year by extending competitive advertising of all vacant administrative and clerical positions throughout the Service. This program provides additional opportunities to persons to compete for positions under the Civil Service program which become vacant in any geographical area.

Operations and Audit Reviews. An important part of the Service's management improvement program is the annual operations review and audit of each region. These comprehensive reviews encompass all seven regions and each of the field office stations within the seven regions. The audit review program concentrates on the effective use of mediator manpower, determination of the proper geographical location and appropriate staffing of each duty station, as well as a review of regional adherence to Service policies and procedures. The audit review culminates in discussions between each Regional Director and National Office staff officials, during which problems are identified and courses of action planned. One of the major facets of the audit discussions is that they serve as a basis for mediator and clerical staffing recommendations and projections for inclusion in the annual budget submission. As a result of the fiscal year 1972 audit reviews, recommendations were made for adjustments in mediator staffing.

Personnel Training Program. During fiscal year 1972 the Service continued its policy to provide job related training for its personnel through workshops and through Federal and private educational institutions.

Automatic Data Processing. A long-range ADP plan was developed during the year in order to provide improved support to program areas by providing up-to-date information and analysis to decision makers and to modernize and improve its administrative systems. The plan includes automation of the strike incidence reporting system by utilizing existing arbitration system modules, conversion of the personnel payroll and accounting activities which will provide improved capability to respond to the Civil Service Commission on the Federal-wide Personnel Management Information System, and to satisfy the Government-wide budgetary and fiscal needs of the Congress as specified by the Legislative Reorganization Act of 1970.

In carrying out the ADP plan the Service will continue its policy to upgrade its systems by utilizing available hardware, similar to the cost-sharing arrangement with the Department of Justice for the operation of the Arbitration System and by utilizing and adapting existing software developed by other Government agencies.

PERSONNEL MANAGEMENT

Effective mediation depends to a large extent on the skill, intellectual capacity, integrity, and persuasive abilities of the individual mediator. The Service encourages persons with good educational background and extensive experience in labor relations to apply for

appointment to mediator positions. Many more applications from qualified persons are received than vacan positions require. Thus the Service is most fortunate is being able to be critically selective in offering appointments. It is estimated that for the ten new mediator

pointed in 1972, approximately 250 applications were gived and processed.

A Committee on Employee Placement established by Director in 1969, is charged with the responsibility selecting capable candidates and recommending their pointment by the Director. The Committee conducts aful examinations, makes thorough evaluations, and rerviews each selected applicant prior to making its commendations to the Director who makes the appointment.

In addition to the self-satisfying and self-esteem cards of the position, a significant attraction to diffied applicants is the promotion opportunity. Most why appointed mediators are initially employed at Gvernment grade GS-12. The entrance salary at this call is currently \$15,866 per annum. The first year of apployment is a combination probationary and training miod. Promotion to the next higher grade takes place on satisfactory completion of the probationary train-

At the grade GS-13 level, a mediator is considered to re reached the first journeyman grade (annual salary range: \$18,737-\$24,362). The second journeyman grade is at the GS-14 level (annual salary range: \$21,960-\$28,548). Promotion to this latter grade requires a continued demonstration of above average competence for a minimum period of two years and an ability to perform successfully in all phases of Service programs.

Grade promotions of mediators were authorized during Fiscal Year 1972 as follows:

GS-11 (trainee) to GS-12	1
GS-12 to GS-13	11
GS-13 to GS-14	13
GS-14 to GS-15	1

In support of the Administration's efforts to reduce Federal expenditures, the Service continued to operate under budgetary personnel limitations during Fiscal Year 1972. Total employment was limited to 441 positions, including ten temporary and part-time positions, a decrease of seven positions below fiscal year 1971. Figure 20 shows the permanent personnel strength by type of position as of the end of Fiscal Years 1971 and 1972.

TGURE 20. PERMANENT EMPLOYEES OF THE FEDERAL MEDIATION AND CONCILIATION SERVICE BY TYPE OF POSITION, AS OF JUNE 30, 1971 and JUNE 30, 1972

	DEPARTME	NTAL		FIELD	
	Administrative and Clerical Class	Mediator Class	Administrative and Clerical Class	Mediator Class	Total
cal Years ending -					
ne 30, 1971	59	13	88	1 267	427
ne 30, 1972	51	13	95	1 266	425
crease/Decrease	-8	0	+7	-1	-2

¹ Includes 7 Regional Directors and 7 Assistant Regional Directors.

As of June 30, 1972, the Service had 279 employees calified to engage in mediation activities, which incides regional directors, assistant regional directors and rembers of the national office staff.

The position of mediator is designated as sensitive der the criteria of Executive Order 10450, and ruires a full field investigation of appointees to determine eligibility and suitability for assignment to a rediator position. A principal reason for the sensitive diagnation is to determine suitability. In addition, a diators frequently participate in labor contract nego-

tiations involving establishments engaged in production relating to national defense and security. Under Executive Order 11491, mediators are also called upon to mediate disputes in defense installations.

There were 146 permanent clerical and administrative class employees as of June 30, 1972. In addition, ten temporary or part-time positions were available for employment of specially qualified persons selected to serve on ad hoc boards or panels, as consultants, or expert mediators, and for temporary clerical and secretarial assistance.

INCENTIVE AWARDS

During fiscal year 1972 internal procedures were streamlined in order to process more expeditiously recommendations for awards. The newly appointed Awards Committee exerted special effort to encourage supervisors to recognize worthy recipients for awards on a timely basis. Plans for next year included a stepped-up program to encourage employees to submit ideas and suggestions to improve work methods in the Service.

The following tables show the number and types of awards made in fiscal year 1972:

Meritorious Service Awards:

Hayward J. Montoney	\$500. +	Plaque
Juanita L. Lund	200. +	Plaque
L. E. Eady	500. +	Plaque

Commendable Service Award:

Group Award - Statistical

Audit & Analysis Division	
Lora A. Goodpasture	\$200.
Francine V. Perry	200.
Janice M. Thomas	200.
Bertie M. Fulton	200.

Special Achievement Performance

Special	Acmevement	1 criormanc	
Award			

Paul H. Taniguchi	\$100.
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LENGTH OF SERVICE AWARDS

Years		Numbe
10		33
15		10
20		13
25		2
30		10
35		2
40		1
	Total	71

RETIREMENT PLAQUES

Years		Number		
7		1		
17		1		
20		2		
22		1		
26		2		
27		1		
28		1		
29		2		
30		4		
32		3		
33		1		
34		1		
35		2		
37		_1		
	Total	23		

FINANCIAL MANAGEMENT

Certificate

The Congress appropriated a total of \$10,410,000 for the Federal Mediation and Conciliation Service to provide for the cost of salaries and related operating expenses for the Fiscal Year 1972. This total included a supplemental appropriation of \$121,000 for salary increases authorized by the Congress, effective in January 1972. Of the total funds available, \$10,395,896 was obligated during Fiscal Year 1972 and through

careful management of the Service's manpower a fiscal resources, \$14,104 in savings were returned to Treasury.

Figure 21 shows a comparative summary of FM financial activity for Fiscal Years 1971 and 1972. Figure 22 shows comparative expenses for special employed during the same period.

Figure 21. Salaries and Expenses for Fiscal Years 1971 and 1972

	Fiscal Year 1971	Fiscal Year 1972
Appropriations:		
Initial	\$9,508,000	\$10,289,000
Supplemental (pay increase)	218,000	121,000
Total Available	\$9,726,000	\$10,410,000
Obligations:		
Personnel compensation	\$7,812,509	\$ 8,977,958
Travel	527,244	560,299
Communications	364,128	381,636
Other	980,159	476,003
Total	\$9,684,040	\$10,395,896
Savings	41,960	14,104

Figure 22. Expenses, Special Employment, Fiscal Years 1971 and 1972

	1971			1972		
	1971 total	Expert Mediators	Consultants	1972 total	Boards of Inquiry	Consultants
aries	\$3,357	\$2,967	\$ 390	\$4,912	\$ 4,912	\$
avel				2,774	2,774	* * * *
mmunications				3,083	3,083	
her	1,825		1,825	5,503	2,213	3,290
Total	\$5,182	\$2,967	\$2,215	\$16,272	\$12,982	\$3,290

Training

The prime objective of the Service's training activities is to provide meaningful support to the mediator staff in fulfillment of the agency mission.

Essentially the educational responsibility separates into five distinct segments. These are the orientation conference, attended by all newly appointed mediators immediately upon entering the Service; the annual seminar, a program of varying lengths and topics attended each year by the entire professional staff; the workshop series, which are periodic short-term meetings aimed at collective bargaining problems of current pressing concern; resource assistance, a supportive func-

tion available on an individual basis to all mediators i accordance with a specific case need; mediator-traine program, an extended training period for individua with high potential but lacking experience requirements.

Beyond the internal educational categories, the has been an increased call upon FMCS to provious technical assistance to dispute resolution agencies from unicipalities, states, and foreign governments. Simil assistance is extended to public and private agenci concerned with settlement procedures for communicand social action disputes.

MEDIATOR ORIENTATION

The first official assignment for each newly appointed mediator, immediately upon entering on duty, is attendance at his class orientation conference. Incoming mediator classes vary in size and frequency in keeping with the recruitment needs of the agency. Whatever the number in the incoming group, or the time of the year, the orientation conference is a required initial process.

Aimed at familiarizing the recently acquired staff members with their responsibilities in a concise and systematic method, the conference is structured to include most features of a mediator's duties.

Seasoned mediators, who are also experienced instructors, serve as conference faculty members. Their presentations vary from formal lectures to informal panel roundtables, with considerable encouragement of

dialogue between class and instructors. Simulated situtions serve to accelerate the learning process as facul participants actively involve the class in a wide range problem areas.

While the Service has a minimum of reporti requirements, relevant administrative policies and produres are explained and illustrated. Further discussion this portion of the mediator function are usua conducted as part of the regional training plans.

The end of the orientation conference, held washington over a two-week period, is marked by ear mediator being assigned to the region that will be site of his permanent station. The mediator's fitraining phase then begins under the direct supervisor of the regional director.

WORKSHOP SERIES

The FMCS Workshop Series is part of the continuing effort of the Service to keep pace with the constant shifts in needs and emphasis that is the hallmark of collective bargaining.

Through the workshop series, limited numbers field mediators are brought together to discuss curr and anticipated problems. At times non-Service larelations practitioners join in the workshops. At



IICS 25th Anniversary Seminar in Washington attracted prominent speakers. At rostrum is Robert D. Lilley, Executive Vice President, American Telephone and Telegraph Company. FMCS Director J. Curtis Counts, eenter, with Frank E. Fitzsimmons, International President, Brotherhood of Teamsters.

tnes, emphasis is on an open exchange of experiences ed ideas. As an encouragement to candid exploration of tues, prepared presentations by speakers are kept to a rnimum.

The number of workshops scheduled during a fiscal par is not fixed. The trends and developments in labor rations are carefully watched as are the intensity of

disputes and mediator caseload. The intent is to square the more pressing difficulties at the bargaining table with the input needs of the mediation staff. Thus, the frequency, duration, and site of a workshop will be reflective of the specific problem then holding the attention of mediators.

NATIONAL SEMINARS

The accumulated experience of the mediator staff prides a substantial repository of knowledge that is seessfully tapped through the medium of an annual sninar.

The entire professional staff is scheduled to participle in the sessions that are held early each calendar yar. With the assistance of a select mix of prominent pictitioners from the labor-management community, assembled mediators study the impact of events, the analysis and trends on collective bargaining, and ready temselves for the anticipated bargaining problems in the coming year.

Seminar locations are selected in different geographl locations each year, and the duration of the program is adjusted to meet the extent and intensity of problem areas then being encountered.

Variety in the yearly programs is achieved by utilization of formal presentations in general sessions, small-group workshops, round-table discussions, panel interchange, and the opportunity for exchange of experiences in informal gatherings.

During the period covered by this annual report, FMCS highlighted its first quarter of a century by holding the 1972 seminar in Washington, D.C. and having 26 guest participants from management, labor, academia, and government address the conferees.

REGIONAL TRAINING ACTIVITY

The regional training responsibilities, under the immediate supervision of the respective regional directors, runs the entire range from field training for new mediators to upgrading basic clerical skills.

Each region coordinates its requirements with the training and educational features of other government agencies, the U.S. Civil Service Commission, and university study centers. These available resources permit the regions to develop and improve the capability of its support staff.

Relative to training for mediators, each regional director generally schedules at least one regional conference a year with attention centered on the industrial characteristics of labor relations within the region. Circumstances occasionally require area conferences, and

several field stations closely grouped geographically will take part in reviewing similar problems.

The regional procedures for training new mediators consist primarily of the on-the-job type of training in the company of seasoned mediators. The latter will review and discuss the bargaining table experiences with the new men. The regional director selects assignments for the new staff member with the objective of providing a well rounded learning process in a relatively brief span of time.

At times, regions request assistance from national staff personnel. Such assistance may include serving as a speaker on a program, supplying a resource paper, suggesting quests, or providing suggestions for topics.

MEDIATOR-TRAINEE PROGRAM

The mediator-trainee program of FMCS is structured to permit a person lacking the experience established for mediator candidates to gain such experience and information.

Typically, applicants for the mediator-trainee position offer educational backgrounds that may include advanced degrees in a field of study directly related to collective bargaining, or closely related, or degrees from graduate centers concentrating on labor-management relations, or law degrees. Employment experience of the

applicants to the program generally does not include sufficient industrial relations background, in comparison with that normally offered by candidates for the mediator posts.

On a very limited basis, young individuals with hig levels of development potential are accepted into th program, which is purposely designed to allow for rapid learning experience as a prelude to assignment t the usual mediator duties.

TECHNICAL ASSISTANCE

The Service accepts as one of its responsibilities a cooperative response to requests for assistance by recognized agencies established to engage in conflict resolution.

In carrying out its policy of providing technical aid, FMCS personnel have worked with governmental authorities at all levels, including labor departments of other nations. Program content ranges from detailed instruction for mediators, factfinders, and arbitrators to orientation courses for labor and management in the purpose and function of third-party participants.

Outside of the government sphere, interest in dispute resolution has drawn the Service into closer relationship

with community groups, university urban centers, as private foundations in their study of methods for dealis with conflict.

A list of organizations with which FMCS has cooperated during the period covered by this report include. The states of Hawaii and Delaware, the Governments Canada and Panama, the Community Relations Service of the Department of Justice, the Community Cristintervention Project of the Social Science Institute (Washington University of St. Louis), and the Dispusettlement Training Program of the University Connecticut School of Law.

Public Relations

Advancement and improvement of the collective trgaining process has always been a major goal of the Srvice. This is inherent in the responsibility vested in the FMCS by Congress as the principal peacemaking ancy in the labor-management area.

Public relations activity is aimed at helping employers ad labor organizations to exercise their responsibilities ad duties toward each other and to understand how the rediation process can facilitate resolution of disputes. This activity has helped develop further confidence in the Service and has advanced the cause of industrial homony.

Representatives of the Service are active in participation, in meetings and forums of all kinds, and in pomotion of such occasions, where bargaining methods, thuiques and trends can be reviewed, explored and analyzed.

There is an intense and continuing dialogue of the art collective bargaining, and mediators are encouraged to rticipate to the extent possible. Such attendance and rticipation also affords mediators the opportunity to brome better acquainted with bargaining practitioners v h whom they will have to deal in future negotiations. Mediators support and even initiate study sessions for

Mediators support and even initiate study sessions for lor or management organizations, or for joint labor-nagement participation. Such sessions are generally vll-attended by bargaining practitioners seeking practical advice as to how others may handle problems that try themselves may face in the future.

Mediators are frequent speakers or participants at civentions, seminars, workshops and various other fums in order to assist in the exchange of current cor-management trends and to keep themselves up to de in the latest developments.

Another phase of the public relations responsibility is t acquaint the general public with the purpose and fictions of the labor relations process. Wisespread uderstanding of the principles sought to be carried out the Nation's labor laws is essential if they are to be poperly observed.

It is important that the bystanders in a labor dpute-such as union members, stockholders, con-

sumers and so on—realize the purposes and obligations of the bargaining parties. Students and young people, some of whom may become bargainers of the future, also exhibit a keen curiosity in the process of bargaining and mediation.

The public relations program of the FMCS is directed at fulfilling these needs in the belief that better understanding will mean better labor relations conduct.

The Service has had considerable success with simulated bargaining as a means of demonstrating how negotiations are conducted. Mock bargaining table situations involving mediator assistance are performed with mediators taking the roles of labor and management negotiators, or recruiting actual union or employer representatives to do the role-playing.

A number of these simulated negotiations have been sound-recorded. They have been found most useful in training work with employers and unions. Some school systems have recorded such mock mediation presentations for repeated showings in classes throughout the systems.

The Service recognizes the fact that there is a great deal of public interest in every labor dispute. It is agency policy to make as much news regarding individual disputes available to the public, through the various forms of the news media, and in answering inquiries from individual citizens, as may be consistent with the Agency's special responsibilities to the parties. The principal responsibility is the privileged nature of the confidences reposed in the mediator.

During the fiscal year FMCS mediators engaged in 853 public relations assignments of all types. These included attendance and participation at labor relations type meetings, educational presentations to labor and management groups in both the private and public sectors, radio and television broadcasts, and newspaper and magazine articles and interviews.

The public relations office of the Service continued to supervise the briefing of many visitors from foreign countries in the operation of the labor relations policies and the mediation function in the United States. Every effort is made to welcome these visitors from abroad,

many of whom are persons important to the economy and government of their countries. They are quite interested in learning how collective bargaining is conducted in this country and the role of the Government therein.

During the fiscal year, a total of 31 groups of foreign nationals, consisting of 60 individuals from 26 countries,

visited the national offices of the Service for orientatic sessions. Nine groups, comprising 15 individuals from s countries, also visited FMCS regional offices and fie offices.

Of the 40 visiting groups 22 represented foreign governments, 11 represented labor organizations, for represented management, and three were educators.

APPENDIX A

Labor-Management Relations Act, 1947, Title I

TITLE I-AMENDMENT OF NATIONAL LABOR RELATIONS ACT

Sec. 8. (d), For the purposes of this section, to tigain collectively is the performance of the mutual cligation of the employer and the representative of the exployees to meet at reasonable times and confer in god faith with respect to wages, hours, and other terms ad conditions of employment, or the negotiation of an a eement, or any question arising thereunder, and the escution of a written contract incorporating any a eement reached if requested by either party, but such cligation does not compel either party to agree to a poposal or require the making of a concession: Pro-1 ed, That where there is in effect a collectiveb gaining contract covering employees in an industry eecting commerce, the duty to bargain collectively sill also mean that no party to such contract shall t minate or modify such contract, unless the party diring such termination or modification—

(1) serves a written notice upon the other party to the contract of the proposed termination or modificatin sixty days prior to the expiration date thereof, or in the event such contract contains no expiration date, sixty days prior to the time it is proposed to make such termination or modification;

(2) offers to meet and confer with the other party if the purpose of negotiating a new contract or a cutract containing the proposed modifications;

(3) notifies the Federal Mediation and Conciliation Svice within thirty days after such notice of the estence of a dispute, and simultaneously therewith notifies any State or Territory agency established to mediate and conciliate disputes within the State or Territory where the dispute occurred, provided no agreement has been reached by that time; and

(4) continues in full force and effect, without resorting to strike or lock-out, all the terms and conditions of the existing contract for a period of sixty days after such notice is given or until the expiration date of such contract, whichever occurs later:

The duties imposed upon employers, employees, and labor organizations by paragraphs (2), (3), and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization or individual, which is a party to the contract, has been superseded as or ceased to be the representative of the employees subject to the provisions of section 9(a), and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract. Any employee who engages in a strike within the sixty-day period specified in this subsection shall lose his status as an employee of the employer engaged in the particular labor dispute, for the purposes of sections 8, 9, and 10 of this Act, as amended, but such loss of status for such employee shall terminate if and when he is reemployed by such employer.

APPENDIX B

Labor Management Relations Act, 1947, Title II

TITLE II-CONCILIATION OF LABOR DISPUTES IN INDUSTRIES AFFECTING COMMERCE NATIONAL EMERGENCIES

Sec. 201. That it is the policy of the United States that—

(a) sound and stable industrial peace and the advancement of the general welfare, health, and safety of the Nation and of the best interests of employers and employees can most satisfactorily be secured by the settlement of issues between employers and employees through the processes of conference and collective bargaining between employers and the representatives of their employees;

(b) the settlement of issues between employers and employees through collective bargaining may be advanced by making available full and adequate governmental facilities for conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees to reach and maintain agreements concerning rates of pay, hours, and working conditions, and to make all reasonable efforts to settle their differences by mutual agreement reached through conferences and collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of disputes; and

(c) certain controversies which arise between parties to collective-bargaining agreements may be avoided or minimized by making available full and adequate governmental facilities for furnishing assistance to employers and the representatives of their employees in formulating for inclusion within such agreements provision for adequate notice of any proposed changes in the terms of such agreement, for the final adjustment of grievances or questions regarding the application or interpretation of such agreements, and other provisions designed to prevent the subsequent arising of such controversies.

Sec. 202. (a) There is hereby created an independent agency to be known as the Federal Mediation and Conciliation Service (herein referred to as the "Service," except that for sixty days after the date of the enactment of this Act such term shall refer to the

Conciliation Service of the Department of Labor). The Service shall be under the direction of a Federal Mediation and Conciliation Director (hereinafter referred to as the "Director"), who shall be appointed be the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$12,000 per annum. The Director shall not engage in any other business, vocation, or employmen

(b) The Director is authorized, subject to the civi service laws, to appoint such clerical and other personnia as may be necessary for the execution of the function of the Service, and shall fix their compensation i accordance with the Classification Act of 1923, amended, and may, without regard to the provisions the civil-service laws and the Classification Act of 192. as amended, appoint and fix the compensation of suc conciliators and mediators as may be necessary to can out the functions of the Service. The Director authorized to make such expenditures for supplie facilities, and services as he deems necessary. Suc expenditures shall be allowed and paid upon present tion of itemized vouchers therefor approved by tl Director or by any employee designated by him for th purpose.

(c) The Principal office of the Service shall be in the District of Columbia, but the Director may establist regional offices convenient to localities in which lab controversies are likely to arise. The Director may lorder, subject to revocation at any time, delegate an authority and discretion conferred upon him by this A to any regional director, or other officer or employee the Service. The Director may establish suitable procedures for cooperation with State and local mediation agencies. The Director shall make an annual report writing to Congress at the end of the fiscal year.

(d) All mediation and conciliation functions of t Secretary of Labor or the United States Conciliati Service under section 8 of the Act entitled "An Act the a Department of Labor," approved March 4, 1913 J.C., title 29, sec. 51), and all functions of the United less Conciliation Service under any other law are by transferred to the Federal Mediation and Conciliant Service, together with the personnel and records of United States Conciliation Service. Such transfer take effect upon the sixtieth day after the date of the timent of this Act. Such transfer shall not affect any reedings, pending before the United States Conciliant Service or any certification, order, rule, or regulation. The Director and the Service shall not be subject my way to the jurisdiction or authority of the certary of Labor or any official or division of the certary of Labor.

ections of the Service

- ec. 203. (a) It shall be the duty of the Service, in or to prevent or minimize interruptions of the free of commerce growing out of labor disputes, to so parties to labor disputes in industries affecting timerce to settle such disputes through conciliation condition.
- The Service may proffer its services in any labor site in any industry affecting commerce, either upon wn motion or upon the request of one or more of exarties to the dispute, whenever in its judgment such site threatens to cause a substantial interruption of inerce. The Director and the Service are directed to clattempting to mediate disputes which would have a minor effect on interstate commerce if State or inconciliation services are available to the parties. The vertice does proffer its services in any site, it shall be the duty of the Service promptly to intesting in communication with the parties and to use est efforts, by mediation and conciliation, to bring e to agreement.
- If the Director is not able to bring the parties to ment by conciliation within a reasonable time, he a seek to induce the parties voluntarily to seek other ess of settling the dispute without resort to strike, out or other coercion, including submission to the noyees in the bargaining unit of the employer's last of settlement for approval or rejection in a secret 1t. The failure or refusal of either party to agree to a procedure suggested by the Director shall not be coed a violation of any duty or obligation imposed by the the coefficients.
- () Final adjustment by a method agreed upon by earties is hereby declared to be the desirable method rettlement of grievance disputes arising over the

application or interpretation of an existing collectivebargaining agreement. The Service is directed to make its conciliation and mediation services available in the settlement of such grievance disputes only as a last resort and in exceptional cases.

- Sec. 204. (a) In order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, employers and employees and their representatives, in any industry affecting commerce shall—
- (1) exert every reasonable effort to make and maintain agreements concerning rates of pay, hours, and working conditions, including provision for adequate notice of any proposed change in the terms of such agreements;
- (2) whenever a dispute arises over the terms or application of a collective-bargaining agreement and a conference is requested by a party or prospective party thereto, arrange promptly for such a conference to be held and endeavor in such conference to settle such dispute expeditiously; and
- (3) in case such dispute is not settled by conference, participate fully and promptly in such meetings as may be undertaken by the Service under this Act for the purpose of aiding in a settlement of the dispute.
- Sec. 205. (a) There is hereby created a National Labor-Management Panel which shall be composed of twelve members appointed by the President, six of whom shall be selected from among persons outstanding in the field of management and six of whom shall be selected from among persons outstanding in the field of labor. Each member shall hold office for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term, for which his predecessor was appointed shall be appointed for the remainder of such term, and the terms of office of the members first taking office shall expire, as designated by the President at the time of appointment, four at the end of the first year, four at the end of the second year, and four at the end of the third year after the date of appointment. Members of the panel, when serving on business of the panel, shall be paid compensation at the rate of \$25 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence.
- (b) It shall be the duty of the panel, at the request of the Director, to advise in the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country.

National Emergencies

Sec. 206. Whenever in the opinion of the President of the United States, a threatened or actual strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, will, if permitted to occur or to continue, imperil the national health or safety, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendation. The President shall file a copy of such report with the Service and shall make its contents available to the public.

Sec. 207. (a) A board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

- (b) Members of a board of inquiry shall receive compensation at the rate of \$50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.
- (c) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of section 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

Sec. 208. (a) Upon receiving a report from a board of inquiry the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

- (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations or engaged in the production of goods for commerce; and
- (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing

thereof, and to make such other orders as may be apppropriate.

- (b) In any case, the provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.
- (c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., Title 29, secs. 346 and 347).

Sec. 209. (a) Whenever a district court has issued an order under section 208 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences, with the assistance of the Service created by this Act. Neither party shall be under any duty to accept, in whole or in part, any proposal of settlement made by the Service.

(b) Upon the issuance of such order, the Presi dent shall reconvene the board of inquiry which has previously reported with respect to the dispute. A the end of a sixty-day period (unless the dispute has been settled by that time), the board of in quiry shall report to the President the current posi tion of the parties and the efforts which have been made for settlement, and shall include a statemen by each party of its position and a statement o the employer's last offer of settlement. The Presi dent shall make such report available to the public. The National Labor Relations Board, within the succeeding fifteen days, shall take a secret ballot of the employee of each employer involved in the dispute on the question of whether they wish to accept the final offer o settlement made by their employer as stated by him and shall certify the results thereof to the Attorney Genera within five days thereafter.

Sec. 210. Upon the certification of the results of such ballot or upon a settlement being reached, whicheve happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged. When such motion is granted, the President shall submit to the Congress a full and comprehensive report of the proceedings, including the findings of the board of inquiry and the ballot taken by the National Labor Relations Board together with such recommendations as he may see fit to make for consideration and appropriate action.

inpilation of Collective Bargaining Agreements, etc.

Sec. 211. (a) For the guidance and information of prested representatives of employers, employees, the general public, the Bureau of Labor Statistof the Department of Labor shall maintain a lof copies of all available collective-bargaining elements and other available agreements and active thereunder settling or adjusting labor disputes. The file shall be open to inspection under appropriate ditions prescribed by the Secretary of Labor, except in specific information submitted in confidence all be disclosed.

(b) The Bureau of Labor Statistics in the Department of Labor is authorized to furnish upon request of the Service, or employers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute, except that no specific information submitted in confidence shall be disclosed.

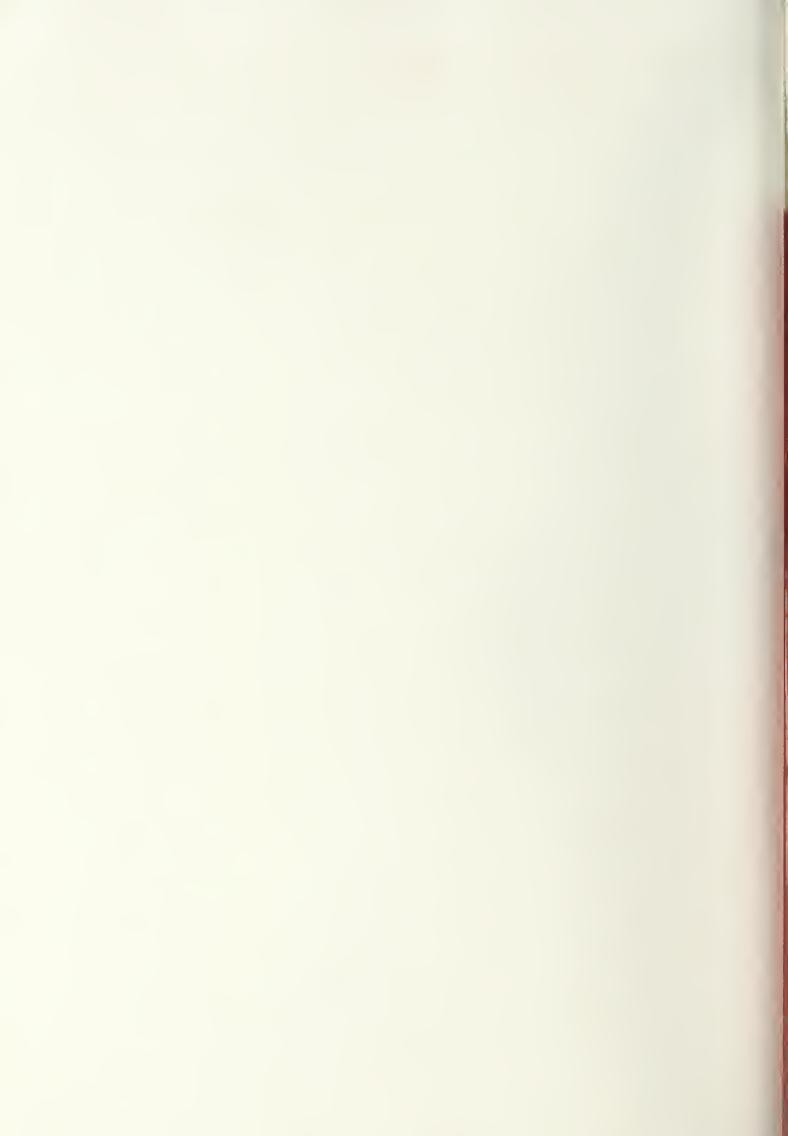
Exemption of Railway Labor Act

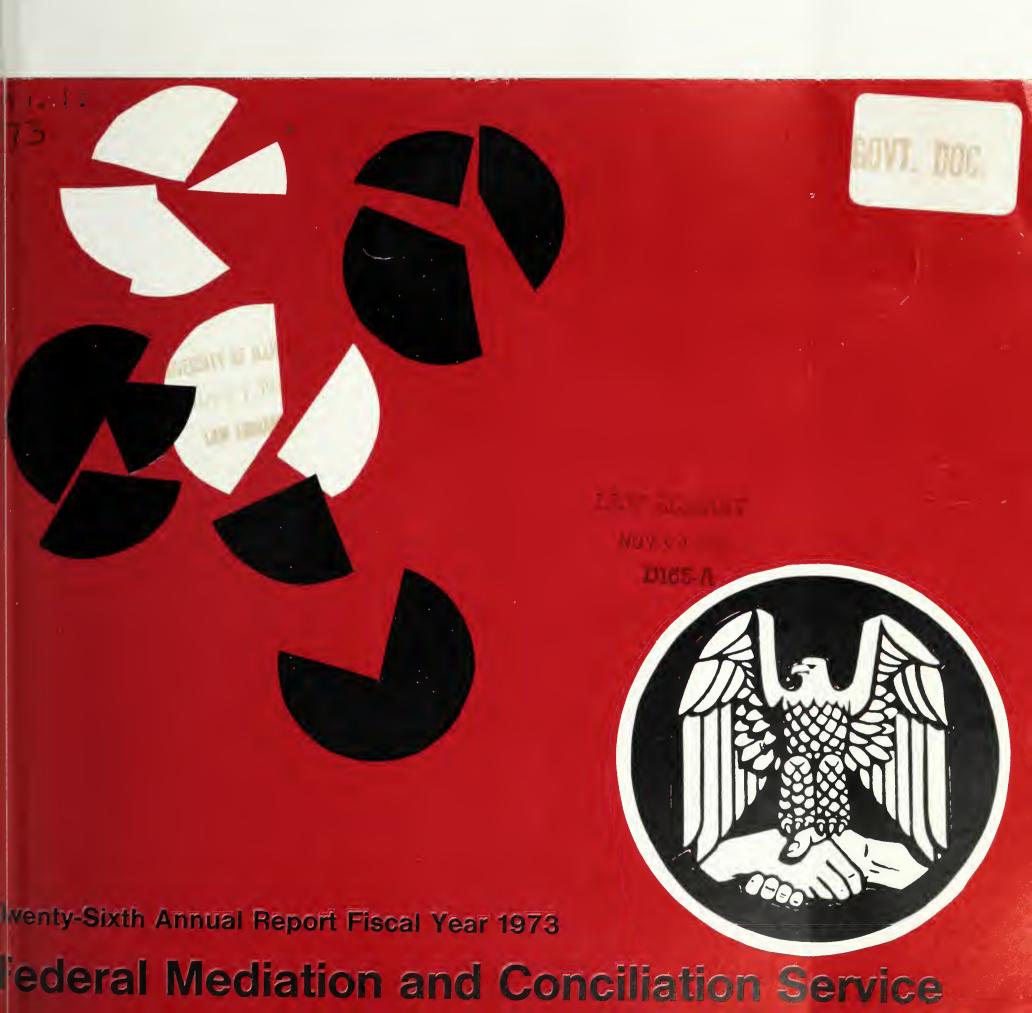
Sec. 212. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

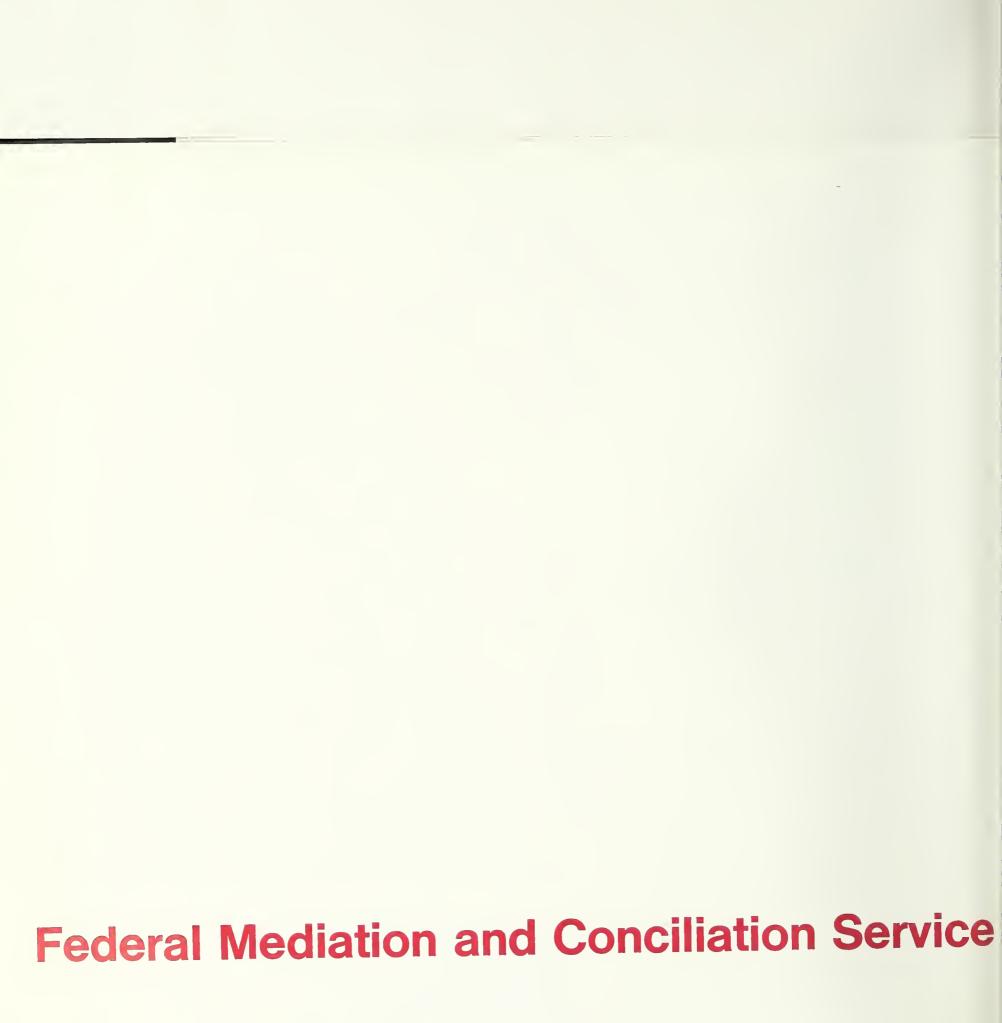
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Twenty-Sixth Annual Report Fiscal Year 1973

Region 1.—Frank H. Brown,

Regional Director

2937 Federal Building, 26 Federal Plaza, New York, N.Y. 10007. Maine; New Hampshire; Vermont; Connecticut; Rhode Island; Massachusetts; New York; and Northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Sussex, and Union.

Region 2.—Robert W. Donnahoo,

Regional Director

401 Mall Bldg., Fourth and Chestnut Street, Philadelphia, Pa. 19106. Pennsylvania; Delaware; Maryland; District of Columbia; West Virginia; Southern New Jersey counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Warren, Hunterdon, Mercer, Monmouth, and Salem; Virginia counties of Allegheny, Botetourt, Roanoke, Franklin, Henry and all east of these counties; and southeastern Ohio counties of Belmont, Monroe, Washington, Noble, and Guernsey.

Region 3.—William S. Pierce,

Regional Director

1422 West Peachtree St., NW., Atlanta, Ga. 30309. Western Virginia counties of Lee, Wise, Scott, Dickerson, Buchanan, Russell, Washington, Tazewell, Smyth, Bland, Wythe, Grayson, Carroll, Pulaski, Giles, Craig, Montgomery, Floyd and Patrick; Southwest Kentucky counties of Fulton, Hickman, Carlisle, Ballard, McCracken, Graves, Marshall, Calloway, Livingston, Todd, Lyon, Trigg, Caldwell, Crittenden, Union, Webster, Hopkins, Christian, Muhlenberg, Logan, and Simpson; Arkansas (Crittenden County only); Tennessee; North Carolina; South Carolina; Georgia; Florida; Alabama; Mississippi; Louisiana; Puerto Rico; and the Virgin Islands.

Region 4.—James L. Macpherson,

Regional Director

1525 Superior Bldg., 815 Superior Ave., NE., Cleveland, Ohio 44114. Indiana (counties of Clark and Floyd); Kentucky (except the counties of Region 3 jurisdiction); Ohio (except the counties under Region 2 jurisdiction); Michigan (lower peninsula; upper peninsula under Region 5 jurisdiction).

Region 5.—M. Clair Willmeth,

Regional Director

1402 Everett McKinley Dirksen Building, 219 South Dearborn Street, Chicago, III. 60604. Illinois (except the counties under Region 6 jurisdiction); Indiana (except Clark and Floyd Counties under Region 4 jurisdiction); Wisconsin; Minnesota; North Dakota; South Dakota; and Michigan (upper peninsula; lower peninsula under Region 4 jurisdiction).

Region 6.—Paul E. Bowers,

Regional Director

3266 Federal Building, 1520 Market Street, St. Louis, Mo. 63103. Iowa; Missouri; Southwest Illinois (counties of Calhoun, Greene, Jersey, Madison, Macoupin, Monroe, Randolph, and St. Clair); Arkansas (except Crittenden County); Nebraska; Kansas; Oklahoma; and Texas (except El Paso and Hudspeth Counties under Region 7 jurisdiction).

Region 7.—Edwin W. Scott,

Regional Director

13471 New Federal Office Building, 450 Golden Gate Avenue, Post Office Box 36007, San Francisco, Calif. 94102. Washington; Oregon; California; Idaho; Montana; Wyoming; Nevada; Utah; Colorado; Arizona; New Mexico; Southwest Texas (counties of El Paso and Hudspeth); Alaska; Hawaii; and Guam.

Letter of Transmittal

Federal Mediation and Conciliation Service, Office of the Director, Washington, D.C. December 31, 1973

To the Congress of the United States: In accordance with section 202(c) of the Labor Management Relations Act, 1947, I have the honor to submit the 26th Annual Report of the Federal Mediation and Conciliation Service, for the fiscal year ended June 30, 1973.

Respectfully submitted.

V./J. Usery, Jr./Divertor

W. J. Usery, Jr., Director
Lowell M. McGinnis, Deputy Director
Lawrence B. Babcock, Jr., Special Assistant to the Director
Kenneth E. Moffett, Director of Mediation Services
Eugene M. Frese, General Counsel
Stephen P. Lejko, Director of Administrative Management
L. Lawrence Schultz, Director of Planning and Development
Norman O. Walker, Director of Information

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Chapter I



Chapter I



New Directions—The Federal Mediation and Conciliation Service entered its second quarter century with pride for its past achievements—but with determination to improve its capacity to fulfill its mission as the Nation's primary labor-management peacekeeping agency.

This annual report to Congress covers events during the 1973 fiscal year, a year in which J. Curtis Counts served as national Director of the agency during the first seven months of the period, and was then succeeded by W. J. Usery, Jr.

New plans and programs were launched during the year designed to strengthen the ability and effectiveness of the government's neutral role in the collective bargaining area. It is expected these plans will mature more fully during the months ahead in order to cope with the labor relations problems growing out of the present economic situation.

The Service is convinced that the collective bargaining process is continuing to serve the Nation well. The relationships between labor and management are growing steadily more mature, with each side becoming more understanding of the problems of the other party, and exhibiting greater willingness to meet the other at least part way in accommodation of their differences. There is little doubt that collective bargaining is a major bulwark of our economic system.

Federal mediators play a significant role in keeping the bargaining process operating smoothly. They have no enforcement powers, but depend on their own special resources of persuasion, skill and knowledge to assist the contending parties in reaching the most mutually satisfactory agreement possible. The terms of the ultimate agreement are those adopted by the parties themselves.

The value of the mediator is that he keeps the parties working toward agreement, avoiding possible pitfalls and recriminations. Even in the rare cases in which the mediator may make formal recommendations for solution, the choice again is that of the parties and not the mediator. Selfdetermination is the essence of the bargaining system.

In the private sector of the economy, the Service has placed emphasis on strengthening efforts to bring more reason and responsibility to the collective bargaining table through preventive mediation, the promotion of "early-bird" contracts and extension of the search for alternatives to strikes and lockouts.

In the public employment sector, the agency has also actively assisted in resolution of disputes involving state and local governmental employees. It has encouraged adoption of laws, regulations and practices aimed at orderly resolution of disputes through the use of mediation, fact-finding and arbitration.

Work Stoppages

Fiscal Year 1973 saw an acceleration in the trend toward using peaceful means to resolve labormanagement disputes, a movement that contributed to a sizeable reduction in the number of strikes and lockouts. This, in turn, brought major economic savings to wage earners, stockholders, corporate managers, as well as to their communities and the Nation.

Time lost due to work stoppages, as a proportion of time worked, declined substantially during the fiscal year. At 12/100ths of one percent of all time worked, the level was only a little more than half the 23/100ths of one percent during the prior fiscal year.

The reverse of the statistics is that 99.88 percent of all work time was not affected by work stoppages, indicating the over-all peaceful nature of the labor-relations scene during the period herein described.

The month-to-month lost time data for the fiscal year, as reported by the Bureau of Labor Statistics of the Department of Labor, follows:

July	.23	1973:	January	.09
			February	.09
			March	.08
			April	.12
			May	.15
		al Year		
	August September . October November . December .	August	August17 September16 October09 November08 December07	August17 February September16 March October09 April November08 May

Mediator Activity

The Service's corps of mediators has been in the front ranks of those who are dedicated to maintaining fair, just and stable labor-management relations. They have had strong support from the cadres of professional mediators employed by several State mediation agencies, as well as skilled arbitrators and those in the academic world who are devoted to the development of better labor-management relations.

The team of 250 Federal mediators perform a large array of functions targeted at promoting and maintaining labor-management peace. They conduct seminars for foremen and union stewards; they arrange and take part in conferences of labor, management and academic leaders; they address

hundreds of classes for students, giving the story of the Nation's unique system of free collective bargaining and the mediation process.

The greatest mediation skills and energy are demanded, however, in resolving impasses that threaten to cause, or have caused work stoppages. As a group, federal mediators handled nearly 17,000 dispute cases during Fiscal Year 1973, or nearly 70 per mediator. In nearly 90 percent of those cases, new labor-management agreements were reached without a strike. Where strikes did occur, the FMCS mediator was on the scene, assisting the parties to reach a settlement with the shortest possible loss of productive time.

Expanded Role

The Service has adopted a broadened concept of the mediator's role. It is the policy of the agency that the mediator's task is not limited to final hour intervention in disputes to avoid work stoppages. Rather, he has a much broader peacekeeping assignment. In the first place, he is encouraged to become as well known as possible in the labormanagement community of his area. He is watchful for problems in specific company-union relationships, and ready with suggestions and programs that will tend to remedy these problems so they will not become irritants in subsequent contract bargaining. He seeks to become expert in the developments and trends in the occupations and industries in his area. A constant goal is to encourage early bargaining or other procedures conducive to avoiding contract deadline dangers.

Just as physicians must devote attention to the continuing developments and innovations in the practice of medicine, the mediator spends many hours discussing changes in wage levels, hours and working conditions with local leaders of labor and management and in widening his acquaint-anceship with labor and management negotiators

with whom he may ultimately have to deal. It is a continuing process of "keeping tooled up" for the bargaining sessions which lie ahead.

In this way the mediator makes every effort to keep himself informed to the greatest extent possible in order to do the most effective job in assisting parties in resolving their problems. The Service maintains a continuing program of channeling current information to the mediator staff as well as special training sessions for this purpose.

Stabilization Program

Labor and management continued to exhibit excellent cooperation in achieving bargaining results in general consistency with the economic stabilization program. The controls program resulted in unquestioned hardship in some cases, yet there was realization among negotiators of their legal and moral obligation to adhere to the stabilization rules.

The stabilization program tended to complicate the task of the mediator. Since he is not an advocate or enforcement officer of government regulations or laws, but an impartial neutral operating in a confidential capacity in the privacy of the bargaining chamber, he was in no position to urge restriction of bargaining demands. Instead, mediators adopted the proper policy of furnishing factual advice to the parties regarding the limitations established under stabilization policies. The parties, thus advised, remained free to make their own decisions on contract costs, even though they might be subject to later challenge by the Cost of Living Council.

The Service thus retained its proper and traditional neutrality and counselling responsibility while still giving valuable third party assistance to labor and management in reaching contract settlements. Representatives of the Service worked closely with

the Construction Industry Stabilization Commission and the Food Industry Stabilization Committee in effective liaison with those important industries.

Fiscal Year Highlights

The Service handled nearly 17,000 dispute cases during the past fiscal year, an increase of approximately six percent over the previous year. Following is a breakdown of the caseload statistics in terms of the work performance of the 250 mediators in an average week during the fiscal year:

- They assisted in 325 dispute settlements per week.
- They helped achieve peaceful settlements without work stoppages in 288 of these average weekly cases—meaning that with mediation assistance the parties avoided work stoppages in nearly nine out of ten instances.
- They held an average of nearly 600 dispute and preventive mediation labor relations meetings per week with employers or unions, or both together.
- They handled 515 preventive activity cases, or an average of some 10 a week, in seeking improvement of bargaining relationships during the term of collective bargaining contracts. These cases involved 2,991 joint or separate meetings, or nearly 60 per week.

Arbitration caseload continued to increase to new highs, continuing the trend which has existed for many years. During the past fiscal year, the Service submitted 15,151 panels of arbitrators in fulfillment of labor-management requests for qualified neutrals to render binding decisions in controversies. This was nearly 10 percent more panels than in the previous fiscal year and averaged nearly 300 such requests per week. The number of arbitration awards rose to 3,954, an increase of more than 15 percent.

The Service continued to be active in labor relations educational activities, an important phase of its responsibilities. Mediators carried out some 1,493 such informational assignments during the fiscal year, or nearly 30 per week.

The Mediation Function

Congress has given the Service a broad responsibility to develop and assist the collective bargaining process. The authority is detailed in the National Labor Relations Act where, in particular, it is stated that "it shall be the duty of the Service, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, to assist parties to labor disputes in industries affecting commerce to settle such disputes through conciliation and mediation."

The Service is given a wide discretion under the law to enter disputes "whenever in its judgment such dispute threatens to cause a substantial interruption of commerce." At the same time the law cautions the Service against entering disputes "which have only a minor effect on interstate commerce if state or other conciliation services are available to the parties." Thus it is left to agency judgment whether a dispute has a "substantial" or "minor" effect on commerce.

It is also provided, as detailed in excerpted segments of the Act printed in the appendix of this Report, that the Service shall avoid mediation or conciliation of grievance disputes, those arising in the course of administering a contract, except "only as a last resort and in exceptional cases."

In furtherance of this legislative mission, the mediator complement of the Service is stationed at some 78 regional and field offices, located at areas of greatest industrial concentration.

A notification process required by law alerts mediators to imminent negotiations. Parties to collective bargaining agreements are required to notify each other 60 days in advance of intended termination of contract agreements. It is further required that they file notices with the Service 30 days ahead of termination dates.

Such notices are received at the seven regional offices of the Service where they are processed. Mediators are assigned to investigate the bargaining status of the individual negotiating situation to determine when and whether mediation assistance may be required. This process is supplemented by the informal alert maintained by the mediators in keeping close touch with the bargaining schedule in their respective areas.

The Service is concerned only with potential trouble spots on the bargaining scene. The great bulk of labor contracts are renegotiated peacefully without the necessity for mediator attention, and these situations are allowed to pass without requiring active work by mediators except for occasional check-up.

Where investigation shows potential difficulty in contract talks, the mediator will consult with the parties as to the advisability of his intervention. In the vast majority of such cases, one or both parties will request mediation assistance. It is only rarely that the Service enters a dispute on its own volition, as it is authorized to do under the law.

Once meetings are called by the Service, it is the duty of the parties, under the law, to attend and participate "fully and promptly" in the settlement efforts. This cooperation is normally forthcoming as at this stage of the labor-management relationship the parties realize that they require assistance of a third party.

Once actively involved in the dispute, the mediator will meet with the parties in joint and separate sessions to determine the nature of their differences and to explore possible areas of compromise and agreement, drawing from his knowledge and experience in making suggestions. The mediator thus works with the two sides to encourage discussion and exploration of problem areas, suggest appropriate contract language, and provide required economic data and other information.

Labor and management have grown increasingly accustomed to this cost-free government service, and as a result mediators find themselves widely accepted as the help-mate of the collective bargaining process.

Between contract negotiations, the mediator is alert to any deteriorating relationship between an employer and a labor organization. Or he may emerge from contract negotiations with an intimate knowledge of shortcomings by the parties in their relationship with each other. In either case, the mediator is trained to suggest a remedial course through which the parties can invest time and effort in improving their day-by-day relations. Mediator contributions in this respect can have a significant bearing on the productivity of a particular enterprise.

Congressional Relations

Members of Congress are naturally concerned over labor disputes in which work stoppages occur or are seriously threatened in their home areas. They often have considerable volume of mail and other communications from constituents affected directly or indirectly. The Service seeks to keep Congressional offices currently informed about dispute situations and, in assessing the economic impact of a particular dispute, to take into consideration the advice furnished in this regard by Congressional offices.

As a neutral agency in labor-management affairs, the Service avoids taking any partisan stands on legislative proposals in Congress. However, the staff of mediators is in constant touch with the pulse of labor-management community and can readily assess the potential effect of various proposals made to change the basic labor laws.

It is thus the policy of the Service to make the experience and expertise of the agency available to members of Congress and its committees whenever it is possible to do so without jeopardizing agency neutrality.

Future Outlook

In its second quarter century, the Service expects to play an ever growing part in the development and maintenance of the nation's economic health. Federal assistance in dispute settlement, and in helping the labor-management community operate in the greatest degree of harmony, are important ingredients to economic success.

The FMCS is already at work on plans for expanding its technical assistance to labor and industry to make the collective bargaining mechanism work more responsibly. The agency is also increasing its staff of "trouble-shooters" operating from the Washington headquarters to assist local mediators in the resolution of particularly difficult disputes. New procedures are being adopted to speed up the arbitration referral system. Our caseload in disputes involving public employees of states and counties is expanding.

There is a growing acceptance and need for the mediation process on the part of management and labor negotiators. The Service is doing everything possible to meet that need, and to fulfill its mission as the agency responsible for keeping the bargaining process working well.



Private Sector Bargaining

Chapter II

Highlights—Major collective bargaining agreements covering some 5,000,000 employees were negotiated in fiscal 1973, a million more than the previous year. The principal industries involved were rubber, electrical manufacturing, petroleum, construction and food.

These agreements were reached during a period of rapid inflation coupled with a shrinking job market in some industries, and also during Phase III and Phase IV of the Administration's Economic Stabilization Program. Although some settlements went beyond the stated guidelines, all were close enough to withstand the test of reasonableness.

For much of the year the unions sought to achieve maximum gains within the control guidelines by stressing better fringe benefits and a stronger labor voice in determining working conditions—the factors involved in efforts to "humanize" the work-place. But as the rate of inflation accelerated, higher wage demands took priority.

The Administration continued its policy of nonintervention in disputes, relying on labor and management, with the advisory third-party assistance of the Service, to resolve their own problems. The result was greater participation by the Service and consequently a heavier workload.

The Effect of Phases III and IV

On January 11, 1973 the Administration replaced the mandatory wage and price controls of Phase II with a system of voluntary restraint, using the former ceilings as flexible guidelines. The Pay Board and Price Commission were supplanted by a reorganized Cost of Living Council. It is widely acknowledged that unions conformed to these guidelines to a remarkable degree.

The unique problems of the food industry led the Cost of Living Council to set up, during Phase III, a tripartite Food Industry Wage and Salary Committee to review wage settlements and price increases in excess of the guidelines. This committee parallels the Construction Industry Stabilization Council, which has continued to function throughout the various phases.

As FY 1973 drew to a close, there was a growing tendency by unions toward shorter-term contracts, or to wage reopeners in longer agreements.

The Experiment in the Steel Industry

By far the most provocative new development during the year was an unprecedented agreement between the United Steelworkers of America and the major steel companies to submit any unresolved issues during their 1974 negotiations to final and binding arbitration.

In its own words, this agreement seeks "to provide stability of steel operations, production and employment for the benefit of the employees, customers, suppliers and stockholders of the companies, and the public." In other words it hopes to improve the industry's competitive position in world markets and to even out the boom-and-bust cycles that have historically bracketed each period of contract negotiations.

The following are some of the more significant negotiations of the fiscal year:

Strikes, lockouts and government intervention are barred by the three-year agreement (except for strikes over local issues when voted by the membership). Minimum wage increases of three percent a year are guaranteed, along with a bonus of \$150 per worker and continuation of the cost of living escalator. A timetable for 1974 negotiations is prescribed, as well as precise terms covering the arbitration procedure.

Both parties to this unique experiment have expressed confidence that they will reach agreement without resort to arbitration. In this and other respects, the first test will come in 1974.

Oil Industry

The issue of occupational health and safety has assumed increasing importance in recent years but seldom, if ever, had it been the pivotal point in national bargaining until this year's negotiations in the oil industry. Major companies and the Oil, Chemical and Atomic Workers Union soon found themselves in substantial agreement except on a union demand for a stronger voice in health and safety programs.

Even before talks began the OCAW, which has been one of the most active unions in labor's drive against job hazards, had announced that participation in plant safety procedures headed its list of goals. Although other companies participating in negotiations ultimately agreed to the change, Shell Oil refused. The subsequent strike at Shell lasted 4½ months, ending only after a statewide effort in California, involving subcommittees which met at the local level and aided by in-depth mediation, developed a formula that broke the deadlock.

Rubber Industry

The first large-scale negotiations in calendar 1973, involving 71,000 workers, took place between the United Rubber Workers and the five major companies in the industry. Contracts with Goodyear, Firestone, Goodrich and Uniroyal, known as the "Big Four," expired April 20, with General Tire following a month later.

Traditionally, bargaining in the rubber industry is conducted separately with each company at a different location, with one company chosen by the union as a prime target or pattern-setter—in this instance, Goodyear. From the outset, bargaining progressed slowly, even though a panel of mediators came on the scene several weeks before the deadline.

The Service intensified its efforts in the closing days, holding marathon sessions with the parties at Goodyear especially. A day-to-day extension was agreed upon at Goodyear and concurred in at Goodrich and Uniroyal, but the union struck Firestone on the April 20 expiration. Four days later a tentative agreement was reached at Goodyear and at Firestone as well, with Uniroyal following.

At Goodrich, however, a settlement was more elusive. After two more weeks of bargaining, the company was struck on May 7. The strike continued for 24 days and resulted in precedent-setting gains by the union. An innovative job security provision gives employees terminated because of complete or partial plant closures preferential hiring rights in other company plants covered by the contract, with service credit and full accrued benefits. Wages were increased 80.8 cents an hour over the three-year term, except for

some limited differentials to meet special competitive problems. Basic pension benefits were raised to \$9.50 a month per year of service in the first year, \$9.75 the second and \$10 the third. Maximum payments were also raised under the supplementary unemployment benefits program.

The Service, as in the past, helped the parties to overcome several obstacles and in general contributed to the eventual settlement.

Electrical Manufacturing

By far the largest group of contracts expiring in FY 1973 were those covering more than 170,000 workers in the two giant electrical manufacturing companies, General Electric and Westinghouse.

For many years the pattern-setting negotiations have been between GE and the International Union of Electrical Workers, AFL-CIO, representing some 85,000 of its workers, and the independent United Electrical Workers, with about 17,000. Since 1966 most of the other unions having GE and Westinghouse contracts have coordinated their efforts with IUE's, although engaging in separate talks at the local level. This year UE also took an active part in the group from the start. Thus the IUE and UE negotiations, carried on in the same New York hotel but on different floors, affected the members of 12 other unions, 10 affiliated with the AFL-CIO and two independent.

GE negotiations have demanded the concentrated attention of the Service ever since the agency was established, not only because of their intrinsic importance but also because they invariably involved the threat of strike. The 1970 contracts were signed only after a 101-day strike and the personal mediation of the then director of the Service. A strike was narrowly averted in 1966 by the unprecedented intervention of the President of the United States, who assigned three Cabinet officers as mediators. Earlier years were in the same pattern.

This year, however, GE management abandoned its long-standing practice of presenting a single, comprehensive contract proposal to the unions and thereafter adhering closely to its terms. Hard bargaining was conducted over a period of two months, including a two-week extension of the contract. An important factor in establishing credibility to the unions for GE's new approach was its restoration of seniority credit to the 1969-70 strikers.

The resulting 37-month agreement provides for wage increases of 88 cents an hour (including cost of living adjustments) over its term; improved pensions, including full retirement at age 62, as well as gains in virtually every other contract area.

The regional director of the Service maintained close touch with the parties and kept the national office informed of their progress, but no other action was needed.

Although the general terms of the GE agreement become a pattern for Westinghouse, there are differences in specific areas that prevent the process from being automatic. This year they were troublesome enough to require active participation by the Service, including a trip to the Pittsburgh bargaining tables by the national director. Ultimately a settlement was reached before the deadline.

Still more difficult were local issues at the Westinghouse Consumer Products Division in Columbus, Ohio, where IUE represents the 3,450 employees. Negotiations on these issues were carried on concurrently with the national bargaining, with much less success because of strained relationships between the parties. The development of contract language that would help relieve these strains was a prerequisite to a settlement. A Service mediator was especially helpful in this respect, and agreement was reached in time to coincide with the conclusion of national bargaining.



Hawaiian Telephone

Intensive mediation contributed to the renewal of a contract between the Hawaiian Telephone Company and the International Brotherhood of Electrical Workers, and also to making the settlement stick.

The contract, covering some 3,500 workers, had expired May 14, 1973 and prior to the entry of the Service had been extended for 14 days. However, about 60 issues were still unresolved, so the mediator persuaded the parties to agree to a further extension.

Although the terms that finally emerged were ratified at a membership meeting, 200 workers struck anyway. The walkout was ended by an agreement setting up a joint labor-management committee to attack the problem of poor communications between the company and the union, which had proved especially upsetting because of recent layoffs.

The contract terms included wage increases close to Cost of Living Council guidelines, company payment of the full cost of the pension program and a revised layoff and recall procedure.

Motion Picture and TV Producers

Approximately 1,400 writers represented by the Writers Guild went out on strike against the Association of Motion Picture and Television Producers on March 6, 1973. The strike continued for 111 days and was finally resolved with the assistance of the Service.

The parties agreed to a three-year contract effective June 25, 1973 with a termination date of June 15, 1976. The agreement spelled out the minimum weekly rates of pay for writers according to the duration of individual contracts. Bonuses, as well as differentials for various types of writers (theatrical, episode, etc.) were also provided, together with improved health and welfare benefits and working conditions.

Union Carbide Nuclear Division

This plant in Paducah, Kentucky, is an offshoot of the Oak Ridge, Tennessee facility. Both have contracts with the Atomic Energy Commission for the development of critical materials needed for both defense and civilian purposes.

Although mediation assistance was provided prior to the expiration of an agreement with the Oil, Chemical and Atomic Workers Union covering 750 employees, a strike could not be averted.

During the strike the union offered a revised wage proposal it was prepared to recommend to the workers if accepted by management. The only obstacle to acceptance was that the proposal did not meet Phase III regulations.

This obstacle was overcome when the mediator suggested changes in the wage reopening dates in the tentative three-year agreement that would keep the wage package within the guidelines. This produced a settlement 12 days after the strike began.

Kollsman Instrument Company

The Kollsman Instrument Company on Long Island, New York, manufacturers aircraft instruments and electro-optical mechanisms for the Air Force, Navy and NASA, which together account for 85 per cent of its output. It is considered an important defense plant.

The company's 1,200 employees are represented by the International Association of Machinists. Their previous contract had been reached after an 87-day strike. Since then the company had become a division of Sun Chemical Company.

Representatives of the Service met with the parties when negotiations were in the discussion stage, and discovered still another complication—the issue of subcontracting. However, the mediator

brought about summit meetings of the principals on both sides, assisting them to agree on the terms of a three-year contract without a work stoppage.

Southern California Food Employees

A deadlock in negotiations between the Food Employers Council, Inc. and nine locals of the Retail Clerks International Association threatened to bring about a strike of 50,000 workers on May 18, 1973. At the personal request of the Director of the Service the walkout was postponed for 30 days so the unresolved issues could be submitted to an impartial factfinder—the first time this alternative was used in the food industry.

The major issue was the wage differential between clerks in northern and southern California. The northern rate was \$5.25 an hour, while those involved in the instant negotiations earned \$4.35. The union sought to close the gap; the employers argued that Phase IV guidelines made it impossible.

The factfinder's report proposed a 6.2 percent general wage increase retroactive to April 1, with a wage reopener April 1, 1974. Neither side was obliged to accept the report but both did so.

Vornado, Inc. (Two Guys Stores)

A panel of Service mediators including a national office representative, more than 30 joint meetings with the parties and one 48-hour marathon bargaining session were required to settle a two-week strike by 13 Retail Clerks locals at 48 Two Guys stores. The discount chain is now a subsidiary of Vornado, Inc.

Company work rules, union security and wages were the principal strike issues. In the new agreement the company accepted union health and welfare proposals while the prevailing work rules were maintained. Wage adjustments differed according to locals. Disputes over events during the strike were also resolved.

Iowa Beef Processors, Inc.

Negotiations between Iowa Beef Processors, Inc., one of the Nation's major producers of pre-packaged meats, and the Amalgamated Meat Cutters and Butcher Workmen of North America began in April under highly unpromising circumstances. The union had won representation rights for the more than 2,000 workers against bitter company opposition in a campaign marred by violence; relations had not improved materially under a first contract.

The union was now seeking wages and fringes equal to those in the "big four" packers—Swift, Armour, Wilson and Cudahy—with which it said lowa Beef competed. The company denied it was in competition with those companies and refused to match their terms.

The Service became involved at the start of negotiations. Numerous meetings were held in Washington, resulting in an agreement to accept a fact-finding proposal by the Director and postpone a work stoppage for 30 days. The factfinder's report was not accepted, however; further negotiations proved fruitless, and early in FY 1974 a lockout and strike began. Further developments in this dispute will be included in the next annual report.

Supermarkets General Corporation

Mediation assistance was jointly requested in February by the parties to a dispute that threatened to close many supermarkets in the Middle Atlantic area.

The representative of the food chains, Supermarkets General Corp./Retail Food Chains, and five locals of the Amalgamated Meat Cutters and Butcher Workmen were seeking to negotiate a

wage figure covering the preparation of "block ready meat" for sale in the stores. After 11 joint sessions and five separate ones, several of them running around the clock, agreement on a \$6 per hour rate was finally reached March 6, just on deadline. The figure was subject to National Food Panel approval. Also included in the one-year agreement were a group dental plan, an additional personal holiday and several improvements in work rules.

Maritime Industry

After other offshore maritime unions had reached agreement with the shipping industry without work stoppages, the International Organization of Masters, Mates and Pilots began a strike on October 25, 1972 against shipping firms represented by the Pacific Maritime Association. The stoppage soon began to have a serious effect on West Coast shipping, particularly on delivery of supplies to Hawaii.

Representatives of the Service, including the national director, held extensive sessions with the parties in Washington and New York until settlement was reached on December 4 after a 41-day shipping halt.

Besides wages, hours and working conditions, the issues included union demands regarding assignment of deck officers and inclusion of port captains and other top shoreside employees of the shipping companies in the bargaining unit.

The strike was the second within a year affecting shipping services to Hawaii.

Boeing

In the fall of 1972, mediators successfully assisted the parties in negotiating two separate, and highly technical, agreements in the Seattle-Renton-Everett area of the Boeing Company's operations. One agreement covered professional engineers, a unit of approximately 8,000 employees, and the second a newly certified unit of technical and engineering assistants, numbering approximately 4,500.

In the professional contract negotiations, the Wichita plant engineers were also represented. In addition to the wage issue, a newly proposed retention and downgrading system was the big issue due to the large layoff experienced in the unit during the previous three years. The Company sought more latitude in the selection of employees to be retained or downgraded, and the Union more emphasis on seniority in the event of any future layoff.

With the settlement of the professional engineers' contract in September, negotiations got seriously under way for the newly certified technical unit. After twelve mediation sessions of intensive negotiations and with a strike threat present, a settlement was reached just before the Christmas holidays. The first wage increase was retroactive to November 19, 1971. In addition, a new manpower control system was worked out governing job levels, performance rating, retention and downgrading, the filling of openings, transfers and salary administration; a retention of the sick and annual leave bank, a subcontracting clause and a compromise on the termination date of February 15, 1975.

The settlement of both contracts was satisfying to not only the company, the union, and the employees, but to the entire community, which was just starting to experience its first signs of recovery from a severe period of high unemployment.

Another dispute involving Boeing concerned a potential disruption of the Apollo 17 moonshot at Cape Kennedy, Florida. A mediator obtained a settlement in a dispute between the Company and the International Alliance of Theatrical Stage Employees Union in time to avoid picketing that, according to officials of the National Aeronautics and Space Administration, could have forced a costly postponement of the space exploration effort. Earlier salary cutbacks were involved in this dispute involving technicians.

Elevator Constructors

A strike of some 18,000 elevator construction workers throughout the nation, except those employed in the New York City area, was described in the last annual report. This stoppage extended over a period of 101 days.

As soon as this strike was settled, in mid-1972, some 3,300 elevator constructors in New York City, Long Island and adjacent New Jersey areas began a work stoppage which seriously crippled completion of numerous high-rise buildings in the described area. The negotiations were complicated by issues involving installation of pre-fabricated materials and the hiring system.

The New York area strike extended over a sixmonth period during which Federal mediators never let up in their efforts to achieve the eventual agreement.



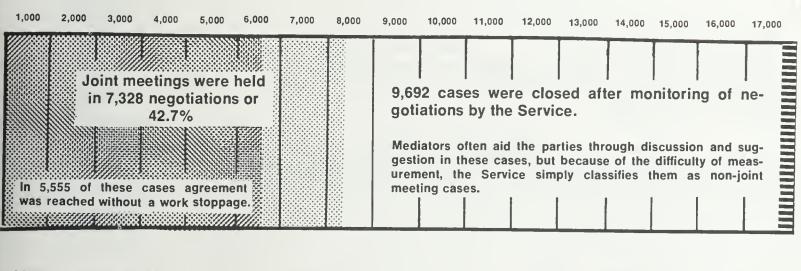
Chapter III



Analysis of Dispute Mediation

Figure 1. Analysis of the cases closed in 1973.

During Fiscal year 1973 mediators monitored 16,930 negotiations.



1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000
					strike	cases v negoti										ses re rk

- * Work **Stoppage** Cases
- The Service held mediation conferences in 1,683 cases.
- Agreement was reached in 254 cases without the direct aid of the Service.
 - The vast majority of the 254 stoppages were of short duration, with the parties continually confident of early agreement without mediation. In each, mediation was offered, and some of them involved separate mediation conferences with the parties.
 - In 1970 the strike cases without joint meetings were slightly over 2% of the total. Since then there has been a continual reduction to the 1.5% of last year.

Figure 2. Avoiding strikes through joint meetings

Total joint meeting cases	7,328
Cases in which joint meetings were held before final deadline 24,052 joint meetings were actually held, an average of 3.3 conferences per case.	6,575
Nonstrike cases (84.5%)	5,555

It is normally easier to reach agreement while workers are still on the job. Figures 2 and 2a underscore the value of involving the service of a mediator before a final deadline or postponing a deadline in order to give the Service ample opportunity to assist.

Figure 2a. Avoiding strikes by postponing deadlines

Total joint meeting cases	7,328	
Those cases in which deadlines were extended or postponed to permit time for continued negotiations and/or mediation	1,273	
Those in which strikes did not occur (83.5%)	1,063	

Figure 3. Strike Incidence.

Total closed cases

Fiscal year	Number of strikes	Strike Percentage 1,000 2,000 3,000 4,000 5,000 5,000 7,000 7,000 9,800 14,000 12,000 13,000 14,000 15,000 16,000 17,000 18,000
1970	2,632	15.5%
1971	2,616	14.9%
1972	2,250	14-1%
1973	1,937	11.4%

The 1973 strike incidence compares favorably with prior years. It has dropped steadily since 1970. The reduction is a product of a variety of causes, including the following:

- Economic Stabilization Program. The effect of wage controls on negotiations during the past year is partially indicated in the significant drop in the strike percentage figure. While controls may have temporarily reduced the incidence of work stoppages, it is not clear whether the real economic pressures on negotiations have been eliminated or postponed.
- Increasing recognition by the parties of their ability to arrive at mutually satisfactory settlements through mature use of the bargaining process.
- Efforts of the mediators.

Figure 4. Types of negotiations.

The dispute mediation work of the Service depends largely upon the number and the types of agreements being negotiated during the period.

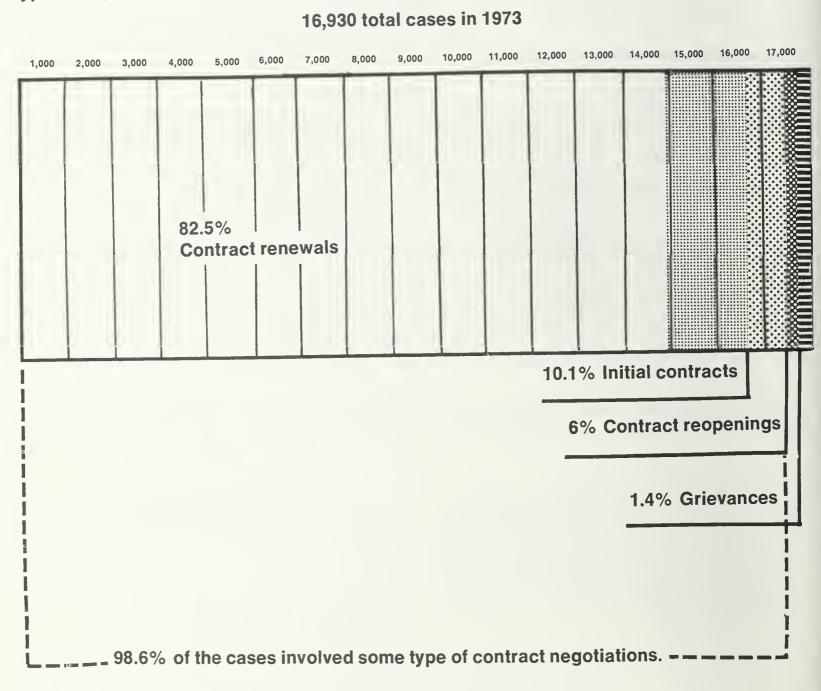




Figure 5. Issues negotiated.

There were 7,238 joint meeting cases.

There was an average of 4.9 issues per case.

Issues in joint meeting cases.

Issues	Occurrences
Wages	6,547
Pensions, insurance, welfare	4,922
Duration of contract	4,781
Vacations, holidays	4,445
Hours of overtime	2,365
Job classification	2,032
Guarantees	2,007
Working conditions	1,738
Seniority	1,694
Management prerogatives	1,594
Grievance Procedure—Arbitration	1,437
Union security	1,321
Other actual contract issues	525
Total issues	35.408

Each listed issue may include several actual contract clauses; for example, wages could involve a general wage change, a cost-of-living clause, call-in pay, incentives, meal allowances, shift differential, down time and other such items, each a major obstacle to agreement.

Figure 6. Length of renewed contracts in FMCS joint meeting cases.

Contract duration is significant to the Service because the great bulk of the dispute mediation caseload comes from contract expirations.

Contract Length

Fiscal Year	One Year (0-18 Months)	Two Years (19-30 Months)	Three Years (31-42 Months)	More (43 plus)
1964	23.4%	40.1%	25 1 0/2 10000	
1965	19.6%	31.8%	47.0%	
1966	15.0%	51.7	%	2
1967	13.0%	2.0% 53.5%		
1968	§9.5% 27.8°			
1969	7.4% 30.09	% 61.7% Co	ontracts of three years' creased during this pe	term:
1970	32.3 %	6 56.5%		
1971	30.3 %	6 58.3%		
1972	17.8%	27.9% 53.8%		
1973	18.3%	T	hree year term contra elow 50% for first time	cts dropped

Reaction to the stabilization program led to an increase in one-year contracts in 1972 and 1973, especially in the construction industry.

Notifications

The majority of the cases originated from 30-day notices received in the seven regional offices of the Service, as required by the Labor Management Relations Act. Others came from an informal arrangement under which the National Labor Relations Board reports new bargaining unit certifications. Still others arose from direct requests by union and/or management.

In federal public-sector negotiations, case assignments originated from 30-day notifications required under FMCS regulations, and from certification notifications supplied by the Labor-Management Services Administration of the Department of Labor.

The Service is concerned with all industries affecting commerce, except railroads and airlines. This report is solely of FMCS case closings. It does not represent the number of contracts negotiated in the Nation in the fiscal year. An FMCS case is assigned to correspond to an actual negotiation taking place involving commerce to such an extent that the Service follows the negotiation until completed. Often several contracts will result from one negotiation. In some situations the parties negotiate a contract without the Service having been informed. Still other negotiations which do come to the attention of the regional offices are screened because of lack of jurisdiction, and not assigned.

Some indication of the caseload carried by a mediator at any one time may be obtained from the fact that there were 5,449 cases in progress on June 30, 1973. That number divided by the 241 mediators on duty that date shows an average of 23 cases being monitored by a mediator at that time. The Service, therefore, started its new fiscal year with that many cases in current active files.

Figure 7. Membership rejections.

The percentage of joint meeting cases which involved a rejection of a tentative agreement was lower in 1973 than in the past several years.

Fiscal Year	Number of rejections	Rejection percentage
1967	1,019	14.2%
1968	893	11.9
1969	991	12.3
1970	843	11.2
1971	795	9.9
1972	732	10.1
1973	697	9.6

It must be recognized that this figure (9.6%) includes a wide range of degree of enthusiasm about recommending the tentative agreement to the union membership by the union's negotiating committee. At one end of the spectrum may be a unanimous solid effort to persuade. At another end there may be a less enthusiastic and less than unanimous effort. There is no distinction within the single statistic between a strong tentative agreement and a weaker one.

In understanding this statistic it must also be recognized that it may not be typical of collective bargaining as a whole. It relates only to that most difficult segment of negotiations, the situations which involve joint mediation conferences.

Figure 8. Number of joint meeting cases by State.

Alabama	110	Nevada	32
Arizona	39	New Hampshire	29
Arkansas	73	New Jersey	299
California	560	New Mexico	13
Colorado	68	New York	453
Connecticut	99	North Carolina	50
Delaware	26	North Dakota	26
District of Columbia	48	Ohio	518
	115	Oklahoma	51
Florida	109	Oregon	85
Georgia	25	Pennsylvania	478
Idaho	580	Rhode Island	41
Illinois	265	South Carolina	13
Indiana	178	South Dakota	12
lowa	108	Tennessee	163
Kansas	130	Texas	321
Kentucky	74	Utah	20
Louisiana	35	Vermont	19
Maine	96	Virginia	67
Maryland	242	Washington	161
Massachusetts		West Virginia	55
Michigan	314	Wisconsin	254
Minnesota	271	Wyoming	4
Mississippi	32	Alaska	15
Missouri	349	Hawaii	26
Montana	42		7,238
Nebraska	45	Total	1,200

Figure 9. Industries involved in joint meeting cases.

Industry	Number of cases	Employees in the establishment	Employees in bargaining unit	
Manufacturing	4,631	1,164,377	2,614,810	
Retail, wholesale, and service industries	1,282	259,078	850,935	
Public utilities, communications, transportation	520	174,368	710,677	
Construction	519	340,904	1,768,346	
Government (Federal, State, and Local)	244	203,605	656,210	
Mining, agriculture, and finance	42	7,634	12,283	
Total	7,238	2,149,966	6,613,261	



Chapter IV



The statute that created the Federal Mediation and Conciliation Service clearly defines the federal interest in the prevention of labor-management disputes as well as their settlement. Almost from its very beginnings the Service has pursued this objective by developing a variety of approaches designed to avoid or minimize controversies between the parties to collective bargaining agreements.

For most of its first quarter-century the Service looked upon its two functions, dispute mediation and dispute prevention, as complementary but distinct. But growing experience with dispute mediation demonstrated that the two were in fact interdependent, especially as the economic and technological environment became more complex.

The Service is committed to the premise that collective bargaining is a positive and constructive process, capable of accomplishing more than the mere resolution of differences over contract terms. Increasing time and attention is devoted to helping the parties create the kind of climate that fosters a continuing relationship, with better mutual understanding.

At the present time the individual mediator is charged with the dual responsibilities of carrying out this "turnkey" concept of mediation—a concept that goes beyond the response to crises, beyond persuading antagonists to restrain their hostility, seeking in addition to develop a mechanism through which the parties can work together for their mutual benefit. Obviously he needs all the help he can get.

Therefore the Service is actively developing an additional range of resources to support the traditional mediation approaches. These resources, under the general heading of technical assistance, will include information services, the development of bargaining skills and other forms of special consultation and assistance. It is anticipated that a detailed program covering these areas will be introduced in FY 1974.

Following are cases that illustrate the prevention-related activities of the Service in FY 1973.

Explosive Situation in the South

(Cases cited in these annual reports usually include identification of the parties and places involved. An exception is made for the following item to avoid any chance of a negative reaction at the scene.)

Take one very bad company-union relationship, add the ingredient of bitter racial conflict among the employees and you have a recipe for an explosive situation. Such was the case at a Southern plant which requested mediation assistance to develop some means of bringing stability out of

Preventive Activity

chaos. Wildcat work stoppages, fist fights and stabbings in the plant, even one shooting, was the scenario that the Federal mediator stepped into.

After separate discussions with the local union committee and supervisors, he ruled out a training program or formalized labor-management committee. Instead, he established a series of informal "rap sessions" where first-line foremen and stewards had an opportunity to blow off steam. Problems were identified, attitudes improved and the parties worked out numerous corrective steps. "Crisis teams" comprised of highly-respected foremen and stewards were on call to handle critical problems on a moment's notice. From this, regular labor-management committee meetings resulted and a significant easing of relations on the shop floor became apparent.

While plant closure was considered prior to the mediator's entry, plant expansion is now contemplated.

Multi-Plant Training Promotes Peace

Wildcat strikes, high grievance activity and contract work stoppages characterized strained relationships at six plant locations of FMC Corporation, Chemical Group Fibres Division. The Philadelphia regional office of FMCS initiated discussions between top officials of the company and the Textile Workers Union which produced a training program unique in both magnitude and approach. The parties agreed to a program conducted by mediators at four of the six locations. Twelve mediators were involved in a total of 101 joint and separate training sessions with supervisors and union representatives at Parkersburg and Nitro, West Virginia; Front Royal, Virginia, and Lewistown, Pennsylvania.

Although such activities are normally scheduled between contract expirations, these four took place

concurrently with this year's negotiations. The value of the sessions in terms of improved relations was reflected at the bargaining table, where a master agreement was reached with only brief work stoppages at two of the six plants.

Jamestown Labor-Management Committee

"Closing the Productivity Gap" was the title of a recent Newsweek magazine article about Jamestown, New York. The Jamestown story is not new to the industrial factory towns of the Northeast. Once recognized as a furniture manufacturing center, Jamestown's employment declined as its prime industry relocated south. Compounding this problem was a history of labor relations discord dating back to World War II.

Three years ago, Service mediators initiated the concept of a Jamestown Labor-Management Committee. Working with key leaders of labor and management, they developed the concept into a viable organization. The mayor of the city gave the committee his personal attention. Cornell University, the State University of New York at Buffalo and other organizations have provided expert help on a variety of projects for improving productivity and labor-management cooperation. Recognizing that a labor climate starts on the shop floor, supervisors, local union officials and stewards have participated in conferences and workshops sponsored by the labor-management committee.

The Service mediator most deeply involved assessed the status of the effort this way:

"The jury is not in yet on this one. But if nothing else, we've established a basis of trust through a line of communication which never existed before, a recognition of the mutual problems which confront the community, and a determination to do something about them."

Tennessee Roundtable

For more than 15 years the Service has participated in an annual seminar on labor relations originated by the University of Tennessee Institute for Public Services in Nashville. The National Commission on Productivity has also become a participant. The seminar, whose subject this year was "Productivity and Its Impact on Collective Bargaining," regularly draws some 500 management and labor representatives from Southern and border states.

This year the Service took the opportunity afforded by the seminar to conduct a follow-up one-day roundtable session among a selected two dozen of its participants, chosen from nominees proposed by Region 3 mediators. Topics covered a wide range, including responsible union leadership, the effects of internal union politics, the conflicts between job enrichment and traditional lines of work jurisdiction, the impact of employee attitudes on the bargaining process and the practicality of joint labor-management efforts to improve productivity, communications and cooperation. The union leaders and industrial relations managers at the session included both moderates and militants; under the chairmanship of two Service mediators the exchanges were candid, vigorous and, it is hoped, educational for all.

North Texas Contractors Program

The North Texas Contractors' Association and the Dallas and Fort Worth Building Trades Councils, working under Service auspices, have set up a joint study and communications program patterned after its pioneering multi-craft agreement. Eight management and eight union representatives will meet quarterly to discuss, explore and study problems in the construction industry. Unanimous findings will be publicized.

Although the study committee will not engage in collective bargaining, it will provide a forum for a

continuing change of ideas in an industry whose structure, on both the labor and management side, makes this difficult. If the program succeeds it should go far toward avoiding the "crisis bargaining" so prevalent in the past.

Post-Negotiations at Packaging Corp.

The Service assisted in negotiations that ended a work stoppage by the Papermakers Union at the Packaging Corporation of America plant in Vincennes, Indiana, by becoming a part of the settlement.

The parties agreed to refer five outstanding issues to a labor-management committee if the Service would establish and chair one after the 225 workers returned to their jobs. The mediator agreed.

The five issues were vacation scheduling, grievance procedure, seniority, production work by foremen and job classification. After ground rules were established, three months of committee meetings were required to resolve all five, with the mediator having to meet separately with the parties on several occasions.

Union and management have jointly requested the Service to re-convene the committee four months before the current contract expires.

Case Western Aids at Rotor Tool

Service mediators teamed up with a Case Western Reserve University communications expert to develop and conduct a training program for foremen and shop stewards jointly requested by Rotor Tool Company and the United Auto Workers. The parties felt a need for sharpened skills in three areas of their relationship: Grievance handling, human relations at the shop or first-step level and inter-party communications. Three sessions were handled by the Service and four by the university expert. The parties have since reported improved relations at all levels at the Euclid, Ohio plant.





Federal—The role of the Service in Federal labor relations continues to expand as more and more groups organize and a larger proportion negotiate contracts under Executive Order 11491, as amended.

Presently, all but 750,000 of the 2,500,000 Federal workers are represented by unions, and 2,200 collective bargaining agreements are in force. Another 1,200 certified units had not yet negotiated contracts as FY 1973 came to a close. The Service has strongly recommended to these units that they get on with the job.

Service mediators have largely overcome their initial unfamiliarity with the regulations that cover Federal bargaining, which resemble the Labor-Management Relations Act in some respects but differ considerably in others. To an increasing extent the mediators are able to devise creative solutions to the unique problems that arise in these negotiations.

The Service has discovered that mediation assistance to Federal bargainers often requires more intensified efforts over longer periods than had been expected. A major reason is the absence of deadlines of the kind so prevalent in the private sector; often as not it falls to the mediators to press the parties for a timely settlement.

The complex structures and special regulations of the various agencies also have a marked impact on the bargaining process. Questions of negotiability must often be resolved by developing special language that is consistent with the regulations and at the same time permits a matter to be negotiated.

A continuing problem is the lack of experience in collective bargaining, or in other phases of labor relations, among agency officials and government inion officers alike.

Training Bargainers

Calls for training assistance of various kinds flow into the Service headquarters from Federal agencies and government unions. Mediators conducted 46 training programs in FY 1973, two of which are described below.

Eight hundred supervisors at the Puget Sound, Washington, Naval Shipyard comprised the largest single group trained by the Service up to this time. Four mediators handled the assignment. The trainees were divided into small workshop groups to assure maximum participation. Forty sessions over an eight-day period were needed. The shipyard commander subsequently wrote a letter of thanks for courses he described as "excellent".

Shortly after a contract was negotiated by the American Federation of Government Employees for 400 employees at the Veterans Administration Hospital in Kerrville, Texas, both union and management realized the need for additional training at all levels of their relationship. In response to their joint request a mediator reviewed their needs and set up a program covering the history of labormanagement relations in the Federal service, the leadership functions of supervisors and stewards, supervisor-steward relations, grievance handling and union-management communications. Representatives of both sides have since declared the program was a decided success, forming the basis for a sound relationship, including more effective contract administration and a better outlook for future negotiations.

Representative Cases

Following are specific cases that are representative of the Service's activities under Executive Order 11491 as amended:

United States Air Force

These negotiations involved teachers in schools for the dependents of armed forces personnel in bases throughout the Pacific. The teachers are represented by the Overseas Education Association, an affiliate of the National Education Association.

Both parties requested Service assistance in their bargaining which encompassed a unit of 2,300 teachers spread over 30,000 square miles. One hundred and sixty-five issues were presented at the initial mediation session.

The mediator worked with the parties in 11 conferences held in Tokyo, Japan to achieve a 12-month agreement.

Department of Interior

After extended negotiations at the Bureau of Mines Energy Research Center in Morgantown, West Virginia, the agency and the American Federation of Government Employees requested mediation.

Fourteen of the 16 outstanding issues were resolved and the remaining two referred to the Federal Services Impasse Panel. Prior to the panel hearing, however, a national representative of the Service joined the regional mediator at a joint conference with the parties. Agreement was reached on the last two issues and the request for an FSIP determination was withdrawn.

Veterans Administration

Bargaining had been going on for six months at the Veterans Administration hospital in Buffalo, New York, when the amendments to Executive Order 11491 were promulgated. Both agency officials and the Service Employees International Union, representing the 400 workers, asked for help in adapting to the changed regulations.

A Service mediator was instrumental in keeping the parties at the table for 21 more sessions, some lasting far into the night, until agreement was reached. Subsequently he worked with the agency and union to set up a series of preventive mediation programs, which the parties say have done much to smooth their relationship.

Social Security Administration

Eleven issues were still open when the Service entered national negotiations for 6,000 employees of Social Security Administration facilities in New York City, Philadelphia, Chicago, Birmingham, Kansas City and San Francisco, represented by the American Federation of Government Employees. A mediator helped the parties reach a tentative agreement. After the terms were rejected by membership vote, he assisted in the formulation of revisions that were subsequently ratified.

Department of Commerce

A Service mediator not only assisted the U.S. Patent Office and the Patent Office Professional Association to reach a 24-month renewal agreement covering 1,300 employees in Arlington, Virginia, but helped the parties settle two negotiability questions that had been referred to the Federal Labor Relations Council. Both sides said they would seek Service aid at an earlier stage if problems arose in their next negotiations.

Department of State

The Agency for International Development and the American Federation of Government Employees sought Service aid in negotiating a first contract for 1,800 employees in the Washington, D.C. area. After a two-year agreement was reached, the parties said they planned to use Service resources to improve their collective bargaining relationship.

Federal Service Caseload Data

In FY 1973, the Service proffered assistance to 17 Federal agencies. The largest proportion involved bargaining units in the Department of Defense and Department of Health, Education and Welfare.

The Service was active in 160 cases. It also monitored 36 cases in which active mediation was not necessary. Mediators held 565 meetings with the parties for an average of 3.5 joint meetings per case. The assistance of the Service contributed to the final settlement in 138 of these cases.

Of the 160 active cases, nearly 50 percent involved defense facilities and installations. Twenty-eight

unions, representing 180,393 employees participated in these disputes. More than 496,298 employees were affected by their outcome. The predominant unions were American Federation of Government Employees (AFGE), National Federation of Federal Employees (NFFE) and National Association of Government Employees (NAGE) which represented employees in two-thirds of the active cases.

The major issues were management rights, union security, length of agreement, job classification and grievance procedure.

During the year, 37 cases were referred to the Federal Service Impasses Panel; two were resolved through recommendations of the panel, and six were returned to mediation and settled.

Mediators spent a large portion of their time assisting the parties in developing techniques and approaches to implement Executive Order 11491, which sets forth the guidelines for collective bargaining in the Federal Service.

State and Local—There are more than 80,000 potential jurisdictions in the nation's states, counties and municipalities, and at least a third of them already are engaged in some sort of collective bargaining. The number is increasing at an accelerating rate. However, most states do not have mediation facilities or other machinery for resolving collective bargaining disputes. The Service, in the public interest, is available to fill the gap.

The primary objective of the Service in this area is to encourage the creation of state mediation agencies. It offers expert technical assistance to states, and to smaller government units, that want to set up such an operation. But meanwhile the needs must be met.

Effective participation by the Service has required mediators to master the special statutory provisions of the several states, and learn how to deal with legislatures, city councils and other elected bodies which greatly influence negotiations even though they do not sit at the bargaining table. A

parallel need has been a recognition by unions in the non-federal public sector that participation by the Service is available and can have a constructive influence.

Among the unions that have welcomed the help of the Service are the American Federation of State, County and Municipal Employees; National Education Association; American Federation of Teachers; Service Employees International Union; International Association of Firefighters; American Nurses Association; the Laborers and the Teamsters.

Following is a sampling of the cases in which the help of the Service was enlisted.

East St. Louis Strike

A demand for shorter working hours by a Teamster unit including garbage collectors, sewer maintenance men and filtration plant operators led to a strike against these city facilities. After Service help was requested, the mediator asked the mayor of East St. Louis to enter the negotiations. The city council subsequently named the mayor as the municipal representative in the talks. Shortly thereafter a settlement was reached and a two-year contract signed with the mediator's assistance.

Puget Sound Settlement

After nearly eight months of negotiations failed to produce agreement on the key issue of work rule changes, the Puget Sound Power and Light Company and the International Brotherhood of Electrical Workers sought Service assistance. At a joint conference called by the mediator the parties agreed to extend the contract for 10 days while a subcommittee dealt with the issue. Management refused a further contract extension and some of the 1,350 workers walked off the job, but very shortly thereafter an agreement was reached on a two-year pact.

New Castle Police Union

Officials of New Castle County, Delaware, and Fraternal Order of Police Local 5 had failed to resolve 24 issues in six months of negotiations when they sought Service aid. After preliminary discussions with both sides, the mediator presided over six joint conferences and two separate sessions with the parties. The most difficult questions involved contract language rather than economics. The mediator was instrumental in helping the parties to develop appropriate terms.

After agreement was reached, both sides asked for guidance on contract administration, and a program was drafted by the mediator for their approval.

Anne Arundel Fire Fighters

The newly-organized Professional Fire Fighters Association opened negotiations with officials of Anne Arundel County, Maryland, under a new county labor relations law requiring FMCS assistance as a preliminary to fact-finding when an impasse is reached. Although 40 issues were still in dispute when the mediator entered, all were settled in nine joint meetings and a one-year agreement signed.

University Non-Academic Personnel

A bargaining unit of 1,850 nurses, technicians and custodians, represented by the American Federation of State, County and Municipal Employees Council 55, had a continuing contract with the University of Cincinnati but could not reach agreement during a wage reopener. A Service mediator discovered, after two sessions, that the major barrier was that the contract dates were out of phase with the university's budget renewal dates. When the contract was adjusted to remove this discrepancy a settlement was reached.

Columbus School Teachers

The Columbus Education Association, representing some 5,200 teachers, and the Columbus, Ohio, Board of Education negotiated for three months before asking Service help, with more than 100 issues remaining. Both parties were relatively new to collective bargaining; as the mediator broadened their understanding of the process, the area of disagreement narrowed. Eight separate meetings and 10 joint conferences, the final one lasting around the clock, produced a contract.

Early Birds in Illinois

During contract negotiations between Illinois School District 110 and the District 110 Teachers' Council, an independent union, a Service mediator raised the possibility of a joint committee that would function on a continuing basis. The immediate purpose would be better communications during the contract term; a longer-range objective would be avoidance of the crisis bargaining that characterized the past relationship of the parties.

Subsequently the parties agreed to try the experiment. After several sessions under the mediator's guidance, they decided on a more formal structure.

A Superintendent's Advisory Council was formed. Members are elected by the teachers, the district administrators and the board of education. The council serves as a forum for the discussion of mutual problems and the identification of trouble spots.

The District 110 Teachers Council was expanded to include administrators, to provide input on policy. Only teacher members participate in contract matters.

The operation of these groups led to early bird bargaining that produced, well in advance of schedule, agreement on a new wage schedule and other provisions, including an extension of the contract through 1975.

Non-Federal Caseload Data

During FY 1973 representatives of FMCS were involved in 97 labor disputes in the public sector, excluding those in federal agencies. Eighty-nine were active cases.

An average of four joint meetings were held per case. In 14 cases, mediation sessions were conducted on the deadline date; in 11 the deadline was postponed to permit further mediation. In all, more than 400 sessions were held with the parties.

Settlements were negotiated in 82 cases, or 85 percent of the total. The rest were resolved in whole or in part by other means, such as fact-finding or arbitration. There were 15 work stoppages, with an average duration of 10 days. Fifty-two percent of the contracts were for one year, 28 percent for two years and the remainder for longer terms.

The 97 disputes were spread over 32 states but Illinois accounted for nearly half of them. More than 41,000 union members were directly involved and a total of 273,000 employees were affected by their outcome. Wages were the principal issue but virtually all standard terms of employment were also included.

Local boards of education and teacher unions were the parties in a majority of the cases; units of the National Education Association predominated in these, with American Federation of Teachers locals accounting for nearly all the rest. Unions outside the educational area were the American Federation of State, County and Municipal Employees, the International Association of Firefighters, the Service Employees International Union, the Office and Professional Employees International Union and several police organizations.



Chapter VI



Introduction —Arbitration, as an ad hoc process or as a permanent umpire system, is the primary means by which parties maintain labor relations stability during a contract term.

The success of this process is reflected both in the continued increase in the number of panel requests received by the Service and in the increased application of arbitration to community disputes, prison disputes and consumer affairs. Arbitration continues to play an expanding role in federal, state and local labor relations.

Administration

Arbitration Information Tracking System (ARBIT), a computerized means of handling the growing number of panel requests, was instituted by the Service during FY 1972.

This system maintains arbitrator data, case data and organization data for quick access and reproduction upon request. This is accomplished through time-shared use of record storage equipment, electronic-display panels and high-speed printers.

Once a request is received, the system can display names of all arbitrators in a specific geographical area. These areas coincide with the FMCS regional and field offices. Depending on the specific requirements of the case, a panel, generally of five to seven names, is then selected. Biographical sketches of each arbitrator are reproduced by high-speed printers and forwarded to the parties. After the parties notify the Service of their choice,

an appointment letter is printed and mailed to the arbitrator selected. Should the parties fail to advise the Service of their selection, the ARBIT system has the capability of preparing a follow-up letter asking about the disposition of the case.

As indicated in Figure 10, the processing time for panel requests has begun leveling off after several years of significant increases. It is anticipated that greater reliance on the system's random selection capability as well as related administrative improvements will result in continued reduction.

A major change is anticipated in FY 1974 in the administrative structure of the Service's arbitration function. This change has been precipitated by the increased demands in terms of arbitrator quality as well as technical requirements of providing arbitration services. Accordingly, a separate Office of Arbitration Services will be set up in the expectation that increased specialization will further improve the operation's efficiency.

Establishing Arbitrator Standards

The problem of under-utilization of less experienced arbitrators still runs counter to the parties' continuing concern for prompt decisions and lower costs. Some arbitration authorities feel that the reluctance to accept new arbitrators may be traced to the emergence of new and more difficult issues.'

¹ Fleming, R. W., The Labor Arbitration Process, p. 33, 1958.

It is true that collective bargaining argeements have become more complex. However, discharge and discipline cases, considered by most authorities to involve the most basic of arbitration issues, have increased from one-third of the total cases in FY 1958 to almost half in FY 1973.²

Efforts to stimulate more frequent use of newer arbitrators through panels submitted to the parties have not significantly altered preferences. The parties are inclined to reject panels of less experienced arbitrators and request additional panels. The percentage of second-panel submissions has grown significantly during the last 10 years. In FY 1973, 13,626 requests were received but 15,121 panels were actually provided. The Service plans to initiate several programs to attack these problems in FY 1974.

One such program will involve the establishment of an Arbitration Services Advisory Committee to assist in establishing standards for arbitration selection. It is contemplated that this committee will comprise ranking representatives from labor, management and arbitrator organizations.

The standards established by the advisory committee will be used not only for screening new applicants but also for reassessing those currently on the Service's roster. Knowledge of the standards set by the committee, and increased reliance on the random selection capability of ARBIT, should lead to broader utilization of all roster members. Accordingly, the Service plans to conduct a series of local meetings with members of the national roster. These programs will stress the current needs of the parties to arbitration, what the

parties view as weaknesses in the system, and a review of the Service's administrative requirements. An increasing caseload and the growing number of new arbitrators dictate increased direct contact with roster members.

Arbitrator Training

The Service occupies a unique position in labormanagement relations both as to knowledge of the bargaining process and its relationship with labor, management and educational institutions. As such, it continues to play a leading role in the training of prospective arbitrators.

In this role the Service, in cooperation with the American Arbitration Association, the National Academy of Arbitrators, the Industrial Relations Research Association for Western New York and Cornell University, completed a year-long training program for neutrals.

This experimental program developed a number of concepts for prospective use and discarded others. Broad-based support of the labor-management community is one fully-demonstrated requirement. However, specific community needs will be more closely reviewed in future programs. Twenty trainees enrolled in the program and 13 completed it. Time did not permit an evaluation of the results at this writing.

Anticipated for FY 1974 are programs geared to locally-generated needs for arbitrators. Groups such as labor law sections of local bar associations, employer organizations and unions have indicated a desire to join with the Service in increasing the number of arbitrators for specific geographical locations. An increased role by the Office of Arbitration Services in arbitrator training is anticipated.

² Annual Report, Federal Mediation and Conciliation Service, 1958.

Arbitration Case Load

As in every preceding year, requests for arbitration panels increased. In FY 1973, requests numbered 13,626 as compared to 13,005 in FY 1972, an increase of 4.8 percent. Arbitrator appointments numbered 6,665 in FY 1973 as against 6,263 in FY 1972. During FY 1973, 3,954 award cases were closed compared with 3,438 in FY 1972.

After a request for a panel is processed by the Service, the parties often reach a negotiated settlement on the issue in dispute. This tendency to negotiate right up to the date of a hearing is one reason for the difference between the number of requests received and the number of awards actually delivered. Another reason is the tendency of many parties to contact the arbitrator directly after receipt of a panel, without formal appointment of the arbitrator by the Service.

Costs and Delays

Based on a sample of 870 cases, the time lag from the date a grievance was filed to the time of an award was 257.1 days (see Figure 10). This is an increase of 15.6 days over FY 1972. Most of this increase was in the period between the date a grievance was filed and the date the Service received a request for a panel of arbitrators. While there was also an increase of 2.3 days between time of hearing and time of award, the post-hearing briefing procedure appears to be contributing most to this lag.

Of the 870 cases sampled, 585 involved cases with post-hearing briefs. Within these 585 cases, the average time between date of hearing and the date briefs were filed was 30.2 days. This is more than four days longer than in FY 1972. However, the average time arbitrators took in preparing their decisions following receipt of briefs dropped from 20.4 days to 18.5 days in FY 1973.

Average fees and expenses charged by arbitrators rose from \$590.12 per case in FY 1972 to \$596.77 in FY 1973. While this is a modest increase, there remain a number of areas requiring the attention of the parties if arbitration is to remain an efficient, speedy and inexpensive dispute settlement procedure. Actually, other costs borne by the parties run the total cost of the average arbitration case to many times the cost of the arbitrator.

The need for transcripts, briefs and correspondingly lengthy decisions should be reviewed. In appropriate cases, expedited arbitration as used in the steel industry should be considered.³ This system involves use of less established arbitrators who make decisions on specific issues under rules regulating hearing time, use of briefs and transcripts and length of decisions. Use of bench decisions by the arbitrator is being considered in some collective bargaining relationships.⁴

It should be noted that as more parties go to expedited procedures, the data compiled by the Service will not in most instances reflect cost and time improvements. Expedited procedures will in many cases involve locally pre-selected panels of arbitrators rather than appointments made through the Service. Time and cost data would ordinarily not be reported to the Service under those procedures.

Conclusion

Arbitration continues to grow as an integral part of the collective bargaining process. As the largest appointive agency, either public or private, the FMCS recognizes its responsibility to maintain a roster of professionals who can respond expertly and efficiently to the needs of those they serve.

³ Fischer, Ben, **Arbitration: The Steel Industry Experiment**, Monthly Labor Review, November, 1972.

⁴ National Postal Agreement, 1973, Article XV, Section 4.

Figure 10. Sample results of duration and cost data in arbitration—Fiscal Years 1971, 1972, and 1973

	PER	PER CASE AVERAGES			
Days charged	1971	1972	1973		
Hearing time	.92	.91	.92		
Travel time	.39	.36	.32		
Study time	1.65	1.69	1.72		
Total time	2.96	2.96	2.96		

	PER	CASE AVE	RAGES
	1971	1972	1973
Average per diem rate	\$163.88	\$172.53	\$176.32
Average fee charged	480.88	510.52	520.40
Average expenses charged	85.71	79.60	76.37
Average total charged	566.59	590.12	596.77

F	PER CASI	E AVER	AGES
	1971	1972	1973
Time between grievance filed and request for panels (days)	83.3	75.1	84.7
Time between request date and list sent (days)	11.1	15.1	15.7
Time between date list sent and appointment (days)	46.0	43.8	45.7
Time between appointment and hearing (days)	63.4	61.1	62.3
Time between hearing and award (days)	47.7	46.4	48.7
Total time between request and award (days)	168.2	166.4	172.4
Number of cases sampled	719	850	870

Figure 11. Total award cases by State—Fiscal Year 1973

State	No.	State	No.
Alabama	111	Nebraska	19
Arizona	15	Nevada	17
Arkansas	66	New Hampshire	1
California	270	New Jersey	99
Colorado	21	New Mexico	14
Connecticut	10	New York	159
Delaware	4	North Carolina	31
Dist. of Columbia	20	North Dakota	5
Florida	77	Ohio	401
Georgia	129	Oklahoma	50
Idaho	6	Oregon	7
Illinois	212	Pennsylvania	213
Indiana	209	Rhode Island	14
lowa	59	South Carolina	35
Kansas	23	South Dakota	0
Kentucky	102		•
Louisiana	71	Tennessee Texas	205
Maine	2		231
Maryland	64	Utah	0
Massachusetts	20	Vermont	3
Michigan	133	Virginia	54
Minnesota	36	Washington	25
Mississippi	27	West Virginia	50
Missouri	136	Wisconsin	75
Montana	1	Wyoming	5
Hawaii	1	Alaska	4

Figure 12. Arbitration unit workload—Fiscal Years 1964-1973

Activity	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Request for panels or direct appointments	4,791	5,048	5,654	6,955	7,809	8,479	10,055	12,327	13,005	13,626
Panels submitted	5,172	5,453	6,255	7,623	8,630	9,679	11,124	13,235	13,842	15,121
Appointments	3,182	3,333	3,430	3,953	4,175	4,493	5,318	5,759	6,263	6,665
Awards	1,952	1,887	2,441	1,967	2,309	2,640	2,849	2,840	3,438	3,954

Figure 13. Frequency of occurrence of issues in cases in which arbitrators selected from FMCS panels made awards—Fiscal Year 1973

General Issues'	Frequency of occurrence	Specific issues' Frequency occur	f
New or reopene contract term Contract interpror application	s 40 retation	Discharge and disciplinary actions Incentive rates or standards Job evaluation Seniority ² Overtime ³ Union officers-superseniority and union business Strike or lockout issues Vacations and vacation pay Holidays and holiday pay Scheduling of work Reporting, call-in, and call-back pay Health and welfare Pensions Other fringe benefits Scope of agreement ⁴ Working conditions, including safety Arbitrability of grievance ⁵ Miscellaneous	1,302 82 400 653 385 27 19 113 119 179 86 51 24 86 186 48 252 243

¹ Compilations based on the number of arbitration awards for which data were available; that is, 3,542 of the 3,954 awards. Some awards involved more than one issue.

² Includes promotion and upgrading (203), layoff, bumping, recall (264), transfer (96), and other matters (90).

³ Includes pay (181), distribution of overtime (187), and compulsory overtime (17).

⁴ Includes subcontracting (95), jurisdictional disputes (40), foreman, supervision, and so on (42), mergers, consolidations, accretion, other plants (9).

⁵ Includes procedural (143), substantive (70), procedural/substantive (29), and other issues (10).

Figure 14. Federal Mediation and Conciliation Service Functional Chart, June 30, 1973. An effective means of carrying out assigned management responsibilities

National Commission for Industrial Peace
Advisory to National Director

National Director

Deputy Director

Policy Establishment and Overall Administration Liaison with White House and Cabinet Officers Mediation of Major Disputes National Labor-Management Panel
Advisory to National Director

EXECUTIVE ASSISTANT

Personnel Security Officer
Management Officer—Arbitration
Advisory Council
Director, Equal Employment
Opportunity
Advisor to National Director
Executive Secretary, National
Labor-Management Panel
Mediation of Significant Disputes
Staff Grievances

Legal Advisor for the Service
Congressional Relations—
Legislative Affairs, Disputes,
General Information
FMCS-NLRB Relations
Administration of Taft-Hartley
Injunction Procedures
Mediation of Significant Disputes
Administration of Conflict of
Interest Regulations

GENERAL COUNSEL

INFORMATION DIRECTOR

Public Information
Press and Broadcast Relations
Public Reports and Pamphlets
Intra-Service Publications
Foreign Visitor Orientation
Special Projects

SPECIAL ASSISTANT— INTERNATIONAL ADVISER

Liaison with State Department,
AID, and DOL Bureau of International Labor Affairs
Liaison with Foreign Embassies
in Washington
Advise on Effect of Multinational Corporations on U.S.
Industrial Relations

MEDIATION SERVICES

Mediation of Major Disputes
Dispute Mediation Policies and Procedures

Responsibility of Coordinating Field Mediation Activities Within Each Region as Related to Private and Public Sectors

Coordination of Field Mediation Activities and Interregional Disputes
Utilization of Ad Hoc Dispute Boards
Panels and Mediators from Private

Liaison with Other Agencies on Specific Disputes

TECHNICAL SERVICES

Preventive Mediation
Technical Assistance to Staff and Parties
Informational Service to Staff and
Parties

Development and Evaluation of New Disputes Areas

Research on Mediation and Other Dispute
Settlement Techniques

Staff Development and Training
Planning, Direction and Evaluation of
Workshops and Seminars

Development and Distribution of Mediation and Training Aids
Mediation of Significant Disputes

DECIONAL OFFICES (7)

Maintain Roster of Qualified Arbitrators
Administer Arbitration Panel Requests and
Arbitration Selection Procedures
Administer Requests for Direct Designation
of Arbitrators to Specific Disputes
Liaison with Natl. Academy of Arbitrators,
American Arbitration Assn. and State
and Local Arbitrator Appointive Agencies
Advisory Role and Liaison with Foreign
Countries on Dispute Resolution
Processes
Research and Technical Assistance in

ARBITRATION SERVICES 1

Research and Technical Assistance in Development of Arbitration Practices and Procedures Employment and Personnel Administrative
Budget and Finance
Procurement, Services and Supply
Procedures and Methods Analysis
Automatic Data Processing and
Systems Development
Operating Statistics
Regional Operations Audits
Internal Audits
Mobilization Planning

ADMINISTRATION

REGIONAL OFFICES (7)

Administration of Regional Activity
Mediation and Prevention of LaborManagement Disputes
Regional Public and Press Relations
Training and Development of New Mediators

Introduction—The Office of Administration is obligated to furnish responsive, timely and professional administrative support to the Service. It does so over a full range of functions, including budget, financial and personnel management; administrative services, operations audit, management systems and coordination of field administrative activities.

The Budget and Finance Division develops budget estimates and supporting material to cover the financial needs of the Service; coordinates and assists in the presentation of the budget to the Office of Management and Budget and the Congress; provides an integrated system of accounting and budgetary controls, records and reports to meet management's needs and to ensure compliance with applicable laws, rules and regulations; prepares, reviews and schedules for payment all payrolls and departmental vouchers, and prescribes procedural controls for financial activities at the regional office level.

The Personnel Management Division is responsible for maintaining the quality of manpower within the Service, the full utilization of staff, career development, intake of qualified and motivated employees and maintaining proper work environment through communication and counseling.

The Management Systems Division administers the automatic data processing (ADP) program of the Service and is responsible for a variety of management functions. This includes ADP operations, case reporting procedures, compilation of program operating statistics, annual operations review and audit, inter-agency reporting, FMCS Issuance System, forms management and managerial analysis.

The Administrative Services Division provides support for the national office in Washington, D.C.,

and the seven regional offices and 71 field stations located throughout the country. These functions include space management, communications, procurement of equipment and supplies, mail management and duplication and distribution.

Organization

During FY 1973 the management structure of the Service was reorganized. The Offices of Mediation Services, Arbitration Services and General Counsel were realigned. The functions of the Office of Training and Development were scheduled to be incorporated into a new Office of Technical Services.

Office of Technical Services

The Office of Technical Services, although not actually operative in FY 1973, was ready to take its place in the table of organization. It was created to meet a growing demand for technical assistance to labor and management required by the increasingly complex nature of collective bargaining. The art of collective bargaining today goes far beyond the traditional, established issues of wages and hours and conditions of work. This new office is necessary in order to develop new techniques for dispute resolution and to provide the tools to mediators and negotiators. The functions of the office will cover technical assistance, preventive mediation, research, education and training.



Office of Mediation Services

The structure of the Office of Mediation Services has been realigned to embrace new dimensions in collective bargaining which have come to the forefront in the private and public sectors. In the private sector these include the areas of economic controls, grievance strikes and the emergence of critical industries, such as the construction, food and energy industries.

In the public sector, the Service is expanding its activities in an effort to reduce the number of disputes which threaten to result in work stoppages. The FMCS is establishing specific programs to meet the unique problems of public-sector collective bargaining, both at the state and local and the federal levels.

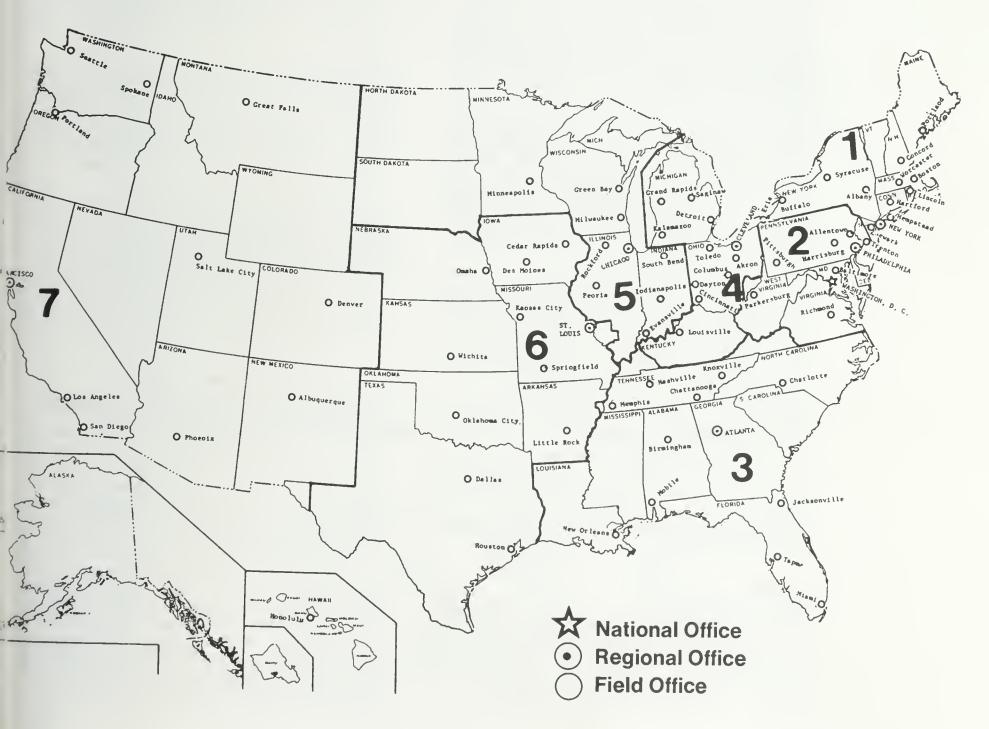
Office of Arbitration Services

The Office of Arbitration Services was expanded because of a growing volume of cases, increased demand for services and the need to facilitate the use of arbitration. A new full-time director was appointed. Functions included implementation of the Arbitration Information Tracking System (ARBIT), development of improved roster maintenance techniques, establishment of case administration services and response to new developments in the arbitration process.

Office of General Counsel

The functions of the General Counsel's Office have been separated from those of the Office of Arbitration Services. These functions include legal advice for the Service, Congressional relations, FMCS-NLRB relations, interpretation of conflict-of-interest regulations and administration of Taft-Hartley injunction procedures.

Figure 15. Regionalization Plan—June 30, 1973



Better Office Facilities

As a result of the Public Buildings Amendments of 1972, Public Law 92-313, the appropriation for Public Building Services has been eliminated. This means that beginning with FY 1975, FMCS must carry the cost of all space assignments in its budget. Accordingly, FMCS will be required to pay the General Services Administration applicable Standard Level User Charges for all office locations. The total charge for present space was listed at nearly \$1.4 million.

Negotiations with GSA officials to increase FMCS space allotments, as well as upgrading facilities, were in progress at the end of FY 1973. The Service firmly believes that increases in the number and the size of mediation and caucus rooms are necessary to provide bargaining parties with adequate and accessible facilities conducive to obtaining agreements.

Meanwhile, during the year the Service expanded and upgraded its facilities at the following locations: Atlanta, Georgia; Indianapolis, Indiana; Dayton, Ohio; Grand Rapids, Michigan; San Francisco, California; Philadelphia, Pennsylvania; St. Louis, Missouri; Washington, D.C. field office, and the national office in Washington, D.C.

Opening of Field Station

Plans were in process at the close of the year to open a new field station in Sacramento, California, to better serve Sacramento and the surrounding geographical area. The field station is to be opened during the fall of 1973 and staffed with two full-time mediators.

ARBIT System

Managerial effectiveness in the area of ADP operations was strengthened by advances in the arbitration services program. The ARBIT system was developed to meet the growing demand for arbitration services and to overcome the difficulties attendant upon that growth (see Chapter VI).

New Issuance System

The Service is inaugurating a new issuance system to replace the present Operations Manual and the Commissioner Handbook and to provide an orderly method for disseminating information from the national office to FMCS employees throughout the country. Its fundamental objective is to assist employees in getting their jobs done in an effective manner.

The system consists of a directives manual, bulletins and handbooks. Directives will convey policies, instructions and guidance which will remain in effect indefinitely. Bulletins will provide information on short-lived events. Handbooks will be compiled on subjects which fulfill the special needs of employees.

The first directive will cover the new FMCS Travel Regulations, which will be sent to all offices in October 1973. The directive on personnel is being edited for final review, and material for the directive on budget and finance has been gathered and is being put together in draft form. Other FMCS offices responsible for directives are in the process of collecting information from which their portions of the new directives manual will be composed.

Operations Review and Audit

An important part of the Service's management improvement program is the annual operations review and audit of each region. These comprehensive reviews encompass all seven regions and each of the field office stations within them. The audit review program concentrates on the effective use of mediator manpower, the determination of the proper geographical location and appropriate staffing of each duty station, as well as a review of regional adherence to Service policies and procedures. The audit review culminates in discussions between each regional director and national office staff officials, during which problems are identified and courses of action planned. One of the major facets of the audit discussions is that they serve as a basis for mediator and clerical staffing recommendations and projections for inclusion in the annual budget submission.

Personnel Management—Personnel management in the FMCS encompasses the recruitment, selection and utilization of people to accomplish the mission of the Service. Personnel management is an integral function of total management. It is carried on within a framework of laws, executive orders, Civil Service regulations and the internal personnel policies of the Service.

Most Service employees are professional mediators. The mediator positions are excepted by statute from the usual Civil Service eligibility requirements for entrance into the federal service. Administrative and clerical positions are in the competitive service, with recruitment subject to Civil Service rules and regulations.

All mediator vacancies in FY 1973 were created by retirements, resignations and transfers. Replacements were selected after careful screening and critical evaluation by the Personnel Placement Committee. More than 300 applications were reviewed for the positions. The Service continued to operate under personnel ceiling restrictions. Total employment was limited to 441, including 10 temporary and part-time positions, reflecting no change from the authorizations for FY 1971 and 1972.

During interim periods and on a recurring basis, temporary employees were appointed. Twelve students were employed under the Schedule A Program to assist disadvantaged youths and the Summer Employment Examination for the period July through September 1972.

Figure 16. Permanent Employees of the Federal Mediation and Conciliation Service by type of position, as of June 30, 1972 and June 30, 1973

Fiscal Years ending:	Departn	Departmental		Field		
	Administrative and Clerical Class	Mediator Class	Administrative and Clerical Class	Mediator Class		
June 30, 1972	51	13	95	266 1	425	
June 30, 1973	52	12	92	258 ²	414	
Increase/Decrease	+1	-1	-3	-8	-11 ²	

¹ Includes 7 Regional Directors and 7 Assistant Regional Directors.

² Positions vacant due to retirements on June 30, 1973.

A significant attraction to qualified applicants—professional, administrative and clerical—is the promotion opportunities offered. The usual entrance level for mediators is GS-12, with promotion to GS-13 journeyman effective after one year of satisfactory performance. Promotion to GS-14 requires continued demonstration of above-average competence for a minimum period of two years at the GS-13 level. Promotions to GS-15 are given to mediators assigned to the national office to handle significant cases which have a major effect on commerce.

Especially qualified applicants who do not quite meet the experience requirements for mediator are appointed as trainees. Two mediator-trainees were appointed during FY 1973.

Mediator grade promotions during the year were as follows:

Grade	Number	Grade	Number
GS 7- 9	1	GS 13-14	19
GS 9-11	1	GS 14-15	4
GS 11-12	2	GS 15-16	1
GS 12-13	2	GS 16-17	1

In the administrative and clerical fields, there were 31 promotions under the Service's merit promotion program. These ranged from advancements under the upward mobility program to promotions under the executive assignment system.

In addition to grade promotions, within-grade competency increases were given to 212 employees, 158 to mediators and 54 to administrative and clerical employees.

Incentive Awards

The policy of the Service is to recognize outstanding performance through the Incentive Awards Program. During Fiscal Year 1973, 26 incentive awards were presented to the following employees:

Sustained Superior Performance Awards

Employee	Station	Amount (plus certificate)
Winnie C. Greene	San Francisco, Calif.	\$250
Y. Robert Norris	Atlanta, Ga.	\$250
Paula A. Beach	New Orleans, La.	\$200
Hilda S. Coon	Portland, Ore.	\$200
Anne M. Grant	Charlotte, N.C.	\$200
Mildred A. Kennerly	Atlanta, Ga.	\$200
Ernestine P. Vigil	Denver, Colo.	\$200

Quality Step Increase Awards

•	
Employee	Station
Alfred Addeo	New York, N. Y.
JoAnn M. Beran	Philadelphia, Penn.
Alexander H. Best	Washington, D. C.
Paul E. Bowers	St. Louis, Mo.
Sharon R. Brace	Detroit, Mich.
Thelma L. Brown	Washington, D. C.
Theresa E. Dellaratta	Philadelphia, Penn.
Willa M. Dellums	San Francisco, Calif.
Daniel F. Fitzpatrick	New York, N. Y.
Mary H. Grodt	Cleveland, Ohio
Sally L. Hart	St. Louis, Mo.
Virginia G. Hernandez	Chicago, III.
Tally R. Livingston	Atlanta, Ga.
John J. Morton	Hartford, Conn.
Harry C. O'Connell	St. Louis, Mo.
Gloria S. Tatum	Atlanta, Ga.
Kirk E. Trimble	Des Moines, Iowa
Richard D. Williams	Chicago, III.

Length of Service Awards

The following table shows the number of awards presented during FY 1973:

Years	Number
10	19
15	16
20	3
25	5
30	15
35	3
Total	61

Retirement Plaques

The following FMCS employees received retirement plaques in recognition of their distinguished service to the Federal Government upon retiring during FY 1973:

Name	Station Location	Total Years in Federal Service	Name	Station Location	Total Years in Federal Service
D. Yates Heafner	Charlotte, N. C.	38	Albert E. Rulli	National Office	30
Henry G. Baker Jr.	Atlanta, Ga.	38	Arthur W. Luchs	Chicago, III.	24
Rose M. Sperling	National Office	37	George I. Wilson	San Francisco, Calif.	24
Salvatore F. Cossentino	Philadelphia, Penn.	37	Ralph C. Patterson	National Office	22
Reynold F. Hagist	San Francisco, Calif.	36	Harold S. Marthenke	Kalamazoo, Mich.	22
Mildred A. Kennerly	Atlanta, Ga.	32	Edward F. Windes	Cincinnati, Ohio	21
Gilbert J. Seldin	National Office	32	George L. Kennedy	Los Angeles, Calif.	20
Frank H. Brown	New York, N. Y.	30	Diana M. Gaist	Philadelphia, Penn.	17
Walter C. Moser	Allentown, Penn.	30	Gordon C. Preble	Minneapolis, Minn.	15
E. Marvin Sconyers	San Diego, Calif.	30	Edwin W. Scott	San Francisco, Calif.	15
Helena M. Vicic	Peoria, III.	30	Muriel K. Sabasowitz	New York, N. Y.	14
George H. Bell	Columbus, Ohio	30	Lester L. Huling	Los Angeles, Calif.	13
Edward H. Ries	Omaha, Neb.	30		•	

Figure 17. Financial Management—

Salaries and Expenses for Fiscal Years 1972 and 1973

	Fiscal Year 1972	Fiscal Year 1973
Appropriations:		
Initial	\$10,289,000	\$10,650,000
Supplemental (pay increase)	121,000	168,000 '
Total Available	\$10,410,000	\$10,818,000
Obligations:		
Personnel compensation	\$ 8,977,958	\$ 9,265,998
Travel	560,299	633,129
Communications	381,636	418,891
Other	476,003	478,140
Total	\$10,395,896	\$10,796,158
Savings	\$ 14,104	\$ 21,842 ²

¹ Salary increase authorized by the Congress, effective in January, 1973.

² Through careful management of the Service's manpower and fiscal resources, \$60,000 was absorbed for pay costs and this amount was returned to the Treasury.



Chapter VIII



The Service has responded to the growth and complexity of collective bargaining, in both public and private sectors of the Nation's economy, with increased attention to the continuing educational needs of its professional staff. In addition, the agency has cooperated with other institutions in planning, administering and participating in programs designed to advance the science of dispute resolution.

The educational activities of FMCS are divided into a number of undertakings. These are: orientation conferences, workshop series, national seminar, mediator-trainee programs and external technical assistance.

Orientation Conferences

Each class of newly-appointed mediators must complete a mediator-orientation conference. The conference is structured to compress within a period of several weeks initial acquaintanceship with the duties and responsibilities of a federal mediator. The conference serves as a background for the subsequent field training period, which is the direct responsibility of the regional director to whose area the mediator is assigned.

The conference encompasses major features of dispute resolution. Through the formal presentations, panel discussions, class and faculty-members dialogue, simulated situations and participative roles, seasoned mediators depict techniques widely utilized in the practice of the profession.

The administrative policies and functions that are concomitants of mediator responsibility are explained and illustrated during the orientation conference.

Workshop Series

The constant and varied changes that shape the collective bargaining environment also shape the direction of the workshop series.

Periodic workshops, for limited numbers of veteran staff members, are conducted throughout the year to anticipate and review particular problem areas in negotiations. Workshop speakers are selected from the ranks of Service and non-Service practitioners. The emphasis is on candid expression of ideas and experiences. Formal presentations are of minimal duration, serving essentially as starting points for free-wheeling discussions that follow. This format is followed to take maximum advantage of the broad scope of experience available and to permit the widest possible participation.



The number of workshops in any single fiscal year is not fixed. Developments in collective bargaining create varied needs. Flexible use of the workshop series permits variety in the frequency, duration and location of sessions.

National Seminars

The annual national seminars of FMCS have been an excellent vehicle for melding the mediatory experience of the Nation's largest cadre of dispute resolvers with the views of outstanding members of the labor-management community. The breadth of discussions which have characterized past seminars provide both formal and informal review of trends and issues occupying the attention of advocates and mediators alike.

Another feature of the seminars is the opportunity for representatives of labor and management to discuss collective bargaining with mediators. The less restrained atmosphere encourages a more leisurely search for mutually agreeable answers. In addition to representatives of the parties, scholars and government officials take part.

Regional Training

Each regional director supervises the training requirements for professionals, administrative personnel and other supportive employees for whom he is responsible.

The range of training activity runs from executive courses for assistant regional directors to upgrading of essential clerical skills for newcomers. Resources of other government agencies, universities and adult education centers are employed in carrying through on this program. The needs of the mediator staff are also met through regional and area conferences highlighting matters of prime concern to each particular region.

New mediators become engaged in counterpart training. They are coupled with experienced mediators who are selected on the basis of their mediatory capability and teaching skill. Regional directors assign the newcomers to a series of staff members and a variety of negotiations as a method of providing a wide-based learning period.

Mediator-Trainee Program

The mediator-trainee program of the Service is maintained on a limited basis for select persons having a proven degree of potential, but lacking the level of experience required of candidates for the position of mediator.

As a rule, mediator-trainee candidates leave educational backgrounds that include advanced degrees in industrial relations or law degrees, plus several years employment in industrial relations, usually in assignments of lesser responsibility than those from which successful mediator candidates are drawn. The program is structured to allow for rapid learning.

Technical Assistance

As the institution endowed with a lengthy and intensive experience in conflict resolution, the Service has repeatedly demonstrated its willingness to share its know-how with recognized agencies established by various jurisdictions.

The FMCS has cooperated in providing instructional courses for mediators, factfinders and arbitrators, as well as orientation courses for government officials, union leaders and management representatives. The programs range from single-day conferences to events covering several weeks.

Community groups, university urban centers and private foundations have turned to the Service on an intermittent basis to assist with dispute-resolution endeavors apart from industrial relations.



Chapter IX



DIIO Relations

An important phase of the mission of the Service is to promote the advancement and improvement of both collective bargaining and the mediation processes since they lie at the heart of the labor relations policies enunciated by Congress in the National Labor Relations Act.

Every employee of the Service is therefore encouraged to explain both to labor and management, and to the general public, the responsibilities and obligations of the parties in the bargaining process and in the mediation function.

These efforts are directed by the Office of Information in activities involving every type of communications media and in public appearances to labor and management groups and to civic and other public groups.

This activity is aimed at helping employers and labor organizations understand their duties and responsibilities toward each other under the national labor relations policies and to utilize the mediation process in avoidance of work stoppages. The goal is to help develop confidence in the ability of the Service to assist the parties in peaceful dispute resolution and thus to advance the cause of industrial peace.

Representatives of the Service are active in participating in meetings and forums of all kinds, and in the promotion of such occasions, where bargaining methods, techniques and trends can be reviewed, explored and analyzed.

Labor relations practitioners are engaged in a continuing dialogue regarding the practice of collective bargaining. Mediators are urged to participate in such meetings, affording them the opportunity both to contribute to these discussions and to become better acquainted with labor and management representatives with whom they may have to deal in future negotiations.

The sharing of bargaining table experiences and trends is useful for all concerned, and the mediation staff does its best to promote and participate in such occasions. Mediators are thus frequent speakers or participants at conventions, seminars, workshops and various other forums.

Every effort is also made to acquaint the general public with the purpose and functions of the labor relations process. This is desirable if the principles sought to be carried out through the Nation's labor laws are understood and properly observed. They should be understood by stockholders and union members as well as labor relations practitioners, and by spouses of workers and young people.

The public relations program of the Service is directed at making the practice of collective bargaining and mediation better understood in order to develop greater maturity in labor relations conduct.

Mock mediation is a method that the Service has used with great success in bringing the bargaining table experience vividly to those who have never engaged in the process. Actual bargaining situations are simulated with mediators taking roles as mediator, employer or union representative, or recruiting employer of union representatives to serve as actors in the presentation.

Some of these mock mediation sessions have been sound-recorded, so that the films can be shown to wider audiences as training devices.

The Service recognizes that there is a great deal of public interest in every labor dispute. It is agency policy to relate as much of the facts as possible pertaining to an individual disputes to the news media, or to individual citizens, without violating the agency's special responsibilities to the parties. The principal responsibilities are the privileged nature of the confidences reposed in the mediator and the over-riding responsibility to obtain a settlement of the dispute.

During the fiscal year mediators engaged in 793 public relations assignments of all types. These included attendance and participation in many types of meetings, forums and seminars, educational presentations to labor and management groups in both the public and private employment sectors, radio and television interviews, and newspaper and magazine articles and interviews.

Many visitors from foreign countries come to the offices of the Service for briefings on the labor relations policies of this country and trends and outlook. Every effort is made to welcome these visitors from abroad, many of whom are persons important to the economy and government of their countries. They are consistently interested in learning how collective bargaining is conducted in the United States and the role the government exercises.

Appendix A

Labor-Management Relations Act, 1947, Title I

Title I—Amendment of National Labor Relations Act

Sec. 8. (d), For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement. or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession: Provided, That where there is in effect a collective-bargaining contract covering employees in an industry effecting commerce, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification—

- (1) serves a written notice upon the other party to the contract of the proposed termination or modification sixty days prior to the expiration date thereof, or in the event such contract contains no expiration date, sixty days prior to the time it is proposed to make such termination or modification;
- (2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;
- (3) notifies the Federal Mediation and Conciliation Service within thirty days after such notice of the existence of a dispute, and simultaneously therewith notifies any State or Territory agency estab-

lished to mediate and conciliate disputes within the State or Territory where the dispute occurred, provided no agreement has been reached by that time; and

(4) continues in full force and effect, without resorting to strike or lock-out, all the terms and conditions of the existing contract for a period of sixty days after such notice is given or until the expiration date of such contract, whichever occurs later:

The duties imposed upon employers, employees, and labor organizations by paragraphs (2), (3), and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization or individual, which is a party to the contract, has been superseded as or ceased to be the representative of the employees subject to the provisions of section 9(a), and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract. Any employee who engages in a strike within the sixtyday period specified in this subsection shall lose his status as an employee of the employer engaged in the particular labor dispute, for the purposes of sections 8, 9, and 10 of this Act, as amended, but such loss of status for such employee shall terminate if and when he is reemployed by such employer.

Appendix B

Labor-Management Relations Act, 1947, Title II

Title II—Conciliation of Labor Disputes in Industries Affecting Commerce; National Emergencies

Sec. 201. That it is the policy of the United States that—

- (a) sound and stable industrial peace and the advancement of the general welfare, health, and safety of the Nation and of the best interests of employers and employees can most satisfactorily be secured by the settlement of issues between employers and employees through the processes of conference and collective bargaining between employers and the representatives of their employees;
- (b) the settlement of issues between employers and employees through collective bargaining may be advanced by making available full and adequate governmental facilities for conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees to reach and maintain agreements concerning rates of pay, hours, and working conditions, and to make all reasonable efforts to settle their differences by mutual agreement reached through conferences and collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of disputes; and
- (c) certain controversies which arise between parties to collective-bargaining agreements may be avoided or minimized by making available full and adequate governmental facilities for furnishing assistance to employers and the representatives of their employees in formulating for inclusion within such agreements provision for adequate notice of

any proposed changes in the terms of such agreement, for the final adjustment of grievances or questions regarding the application or interpretation of such agreements, and other provisions designed to prevent the subsequent arising of such controversies.

Sec. 202. (a) There is hereby created an independent agency to be known as the Federal Mediation and Conciliation Service (herein referred to as the "Service," except that for sixty days after the date of the enactment of this Act such term shall refer to the Conciliation Service of the Department of Labor). The Service shall be under the direction of a Federal Mediation and Conciliation Director (hereinafter referred to as the "Director"), who shall be appointed by the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$12,000 per annum. The Director shall not engage in any other business, vocation, or employment.

(b) The Director is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the Service, and shall fix their compensation in accordance with the Classification Act of 1923, as amended, and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such conciliators and mediators as may be necessary to carry out the functions of the Service. The Director is authorized to make such expenditures for supplies, facilities, and services as he deems necessary. Such expenditures shall be allowed and paid

upon presentation of itemized vouchers therefor approved by the Director or by any employee designated by him for that purpose.

- (c) The Principal office of the Service shall be in the District of Columbia, but the Director may establish regional offices convenient to localities in which labor controversies are likely to arise. The Director may by order, subject to revocation at any time, delegate any authority and discretion conferred upon him by this Act to any regional director, or other officer or employee of the Service. The Director may establish suitable procedures for cooperation with State and local mediation agencies. The Director shall make an annual report in writing to Congress at the end of the fiscal year.
- (d) All mediation and conciliation functions of the Secretary of Labor or the United States Conciliation Service under section 8 of the Act entitled "An Act to create a Department of Labor," approved March 4, 1913 (U.S.C., title 29, sec. 51), and all functions of the United States Conciliation Service under any other law are hereby transferred to the Federal Mediation and Conciliation Service, together with the personnel and records of the United States Conciliation Service. Such transfer shall take effect upon the sixtieth day after the date of enactment of this Act. Such transfer shall not affect any proceedings, pending before the United States Conciliation Service or any certification, order, rule, or regulation theretofore made by it or by the Secreary of Labor. The Director and the Service shall not be subject in any way to the jurisdiction or authority of the Secretary of Labor or any official or division of the Department of Labor.

Functions of the Service

Sec. 203. (a) It shall be the duty of the Service, in order to prevent or minimize interruptions of the ree flow of commerce growing out of labor disputes, to assist parties to labor disputes in indusries affecting commerce to settle such disputes hrough conciliation and mediation.

- (b) The Service may proffer its services in any labor dispute in any industry affecting commerce, either upon its own motion or upon the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption of commerce. The Director and the Service are directed to avoid attempting to mediate disputes which would have only a minor effect on interstate commerce if State or other conciliation services are available to the parties. Whenever the Service does proffer its services in any dispute, it shall be the duty of the Service promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.
- (c) If the Director is not able to bring the parties to agreement by conciliation within a reasonable time, he shall seek to induce the parties voluntarily to seek other means of settling the dispute without resort to strike, lock-out or other coercion, including submission to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a secret ballot. The failure or refusal of either party to agree to any procedure suggested by the Director shall not be deemed a violation of any duty or obligation imposed by this Act.
- (d) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Service is directed to make its conciliation and mediation services available in the settlement of such grievance disputes only as a last resort and in exceptional cases.

Sec. 204. (a) In order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, employers and employees and their representatives, in any industry affecting commerce shall—

- (1) exert every reasonable effort to make and maintain agreements concerning rates of pay, hours, and working conditions, including provision for adequate notice of any proposed change in the terms of such agreements;
- (2) whenever a dispute arises over the terms or application of a collective-bargaining agreement and a conference is requested by a party or prospective party thereto, arrange promptly for such a conference to be held and endeavor in such conference to settle such disputes expeditiously; and
- (3) in case such dispute is not settled by conference, participate fully and promptly in such meetings as may be undertaken by the Service under this Act for the purpose of aiding in a settlement of the dispute.

Sec. 205. (a) There is hereby created a National Labor-Management Panel which shall be composed of twelve members appointed by the President, six of whom shall be selected from among persons outstanding in the field of management and six of whom shall be selected from among persons outstanding in the field of labor. Each member shall hold office for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term, for which his predecessor was appointed shall be appointed for the remainder of such term, and the terms of office of the members first taking office shall expire, as designated by the President at the time of appointment, four at the end of the first year, four at the end of the second year, and four at the end of the third year after the date of appointment. Members of the panel, when serving on business of the panel, shall be paid compensation at the rate of \$25 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence.

(b) It shall be the duty of the panel, at the request of the Director, to advise in the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country.

National Emergencies

Sec. 206. Whenever in the opinion of the President of the United States, a threatened or actual strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, will, if permitted to occur or to continue, imperil the national health or safety, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe.

Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendation. The President shall file a copy of such report with the Service and shall make its contents available to the public.

Sec. 207. (a) A board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public of private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

- (b) Members of a board of inquiry shall receive compensation at the rate of \$50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.
- (c) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of section 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.
- Sec. 208. (a) Upon receiving a report from a board of inquiry the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—
- i) affects an entire industry or a substantial part hereof engaged in trade, commerce, transportaion, transmission, or communication among the everal States or with foreign nations or engaged the production of goods for commerce; and
- i) if permitted to occur or to continue, will imperilate national health or safety, it shall have jurisdicton to enjoin any such strike or lock-out, or the ontinuing thereof, and to make such other orders s may be appropriate.
- o) In any case, the provisions of the Act of March 3, 1932, entitled "An Act to amend the Judicial ode and to define and limit the jurisdiction of

courts sitting in equity, and for other purposes," shall not be applicable.

(c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., Title 29, secs. 346 and 347).

Sec. 209. (a) Whenever a district court has issued an order under section 208 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences, with the assistance of the Service created by this Act. Neither party shall be under any duty to accept, in whole or in part, any proposal of settlement made by the Service.

(b) Upon the issuance of such order, the President shall reconvene the board of inquiry which has previously reported with respect to the dispute. At the end of a sixty-day period (unless the dispute has been settled by that time), the board of inquiry shall report to the President the current position of the parties and the efforts which have been made for settlement, and shall include a statement by each party of its position and a statement of the employer's last offer of settlement. The President shall make such report available to the public. The National Labor Relations Board, within the succeeding fifteen days, shall take a secret ballot of the employees of each employer involved in the dispute on the question of whether they wish to accept the final offer of settlement made by their employer as stated by him and shall certify the results thereof to the Attorney General within five days thereafter.

Sec. 210. Upon the certification of the results of such ballot or upon a settlement being reached whichever happens sooner, the Attorney Generic shall move the court to discharge the injunction which motion shall then be granted and the injunction discharged. When such motion is granted, the President shall submit to the Congress a full an comprehensive report of the proceedings, including the findings of the board of inquiry and the ballot taken by the National Labor Relations Board together with such recommendations as he make fit to make for consideration and appropriat action.

Compilation of Collective Bargaining Agreements, etc.

Sec. 211. (a) For the guidance and information contents and the general public, the Bureau of Labor Statistics of the Department of Labor shall maintain a file of copies of all available collective bargaining agreements and other available agreements and actions thereunder settling or adjusting labor disputes. Such file shall be open to inspection under appropriate conditions prescribed to the Secretary of Labor, except that no specific information submitted in confidence shall be disclosed.

(b) The Bureau of Labor Statistics in the Department of Labor is authorized to furnish upon reque of the Service, or employers, employees, or the representatives, all available data and factual if formation which may aid in the settlement of all labor dispute, except that no specific informatic submitted in confidence shall be disclosed.

Exemption of Railway Labor Act

Sec. 212. The provisions of this title shall not be applicable with respect to any matter which subject to the provisions of the Railway Labor Ac as amended from time to time.





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The Federal 1/lediation and Conciliation Service



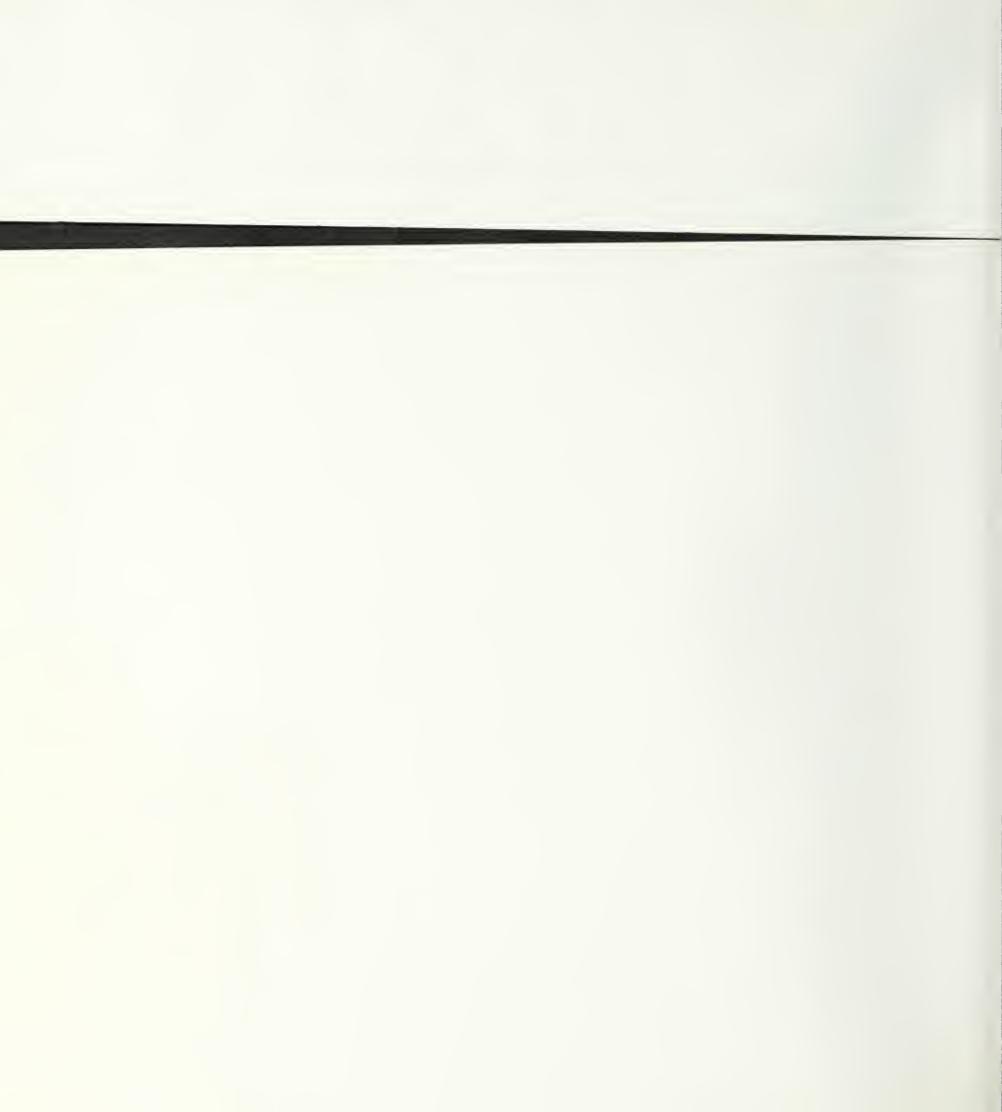
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Twenty Seventh Annual Report
Fiscal Year 1974
W. I. Usery, Jr. National Director



The Federal Mediation and Conciliation Service



Twenty Seventh Annual Report Fiscal Year 1974

Regional Offices

Region 1.—Paul Yager

Regional Director

2937 Federal Building, 26 Federal Plaza, New York 10007. Maine, New Hampshire, Vermont, Connecticut, Rhode Island, Massachusetts, New York and Northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Sussex and Union.

Region 2.—Robert W. Donnahoo

Regional Director

401 Mall Bldg., Fourth and Chestnut Street, Philadelphia 19106. Pennsylvania, Delaware, Maryland, District of Columbia, West Virginia, Southern New Jersey counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Warren, Hunterdon, Mercer, Monmouth and Salem; Virginia counties of Allegheny, Botetourt, Roanoke, Franklin, Henry and all east of these counties; and southeastern Ohio counties of Belmont, Monroe, Washington, Noble and Guernsey.

Region 3.—William S. Pierce

Regional Director

1422 West Peachtree Street, NW, Atlanta 30309. Western Virginia counties of Lee, Wise, Scott, Dickerson, Buchanan, Russell, Washington, Tazewell, Smyth, Bland, Wythe, Grayson, Carroll, Pulaski, Giles, Craig, Montgomery, Floyd and Patrick; Southwest Kentucky counties of Fulton, Hickman, Carlisle, Ballard, Mc-Cracken, Graves, Marshall, Calloway, Livingston, Todd, Lyon, Trigg, Caldwell, Crittenden, Union, Webster, Hopkins, Christian, Muhlenberg, Logan and Simpson; Arkansas (Crittenden County only); Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Puerto Rico and the Virgin Islands.



Region 4.—James L. Macpherson

Regional Director

1525 Superior Bldg., 815 Superior Avenue, NE, Cleveland, Ohio 44114. Indiana counties of Clark and Floyd; Kentucky (except the counties of Region 3 jurisdiction); Ohio (except the counties under Region 2 jurisdiction); Michigan (lower peninsula; upper peninsula under Region 5 jurisdiction).

Region 5.—Richard D. Williams

Regional Director

1402 Dirksen Building, 219 South Dearborn Street, Chicago 60604. Illinois (except the counties under Region 6 jurisdiction); Indiana (except Clark and Floyd Counties under Region 4 jurisdiction); Wisconsin, Minnesota, North Dakota, South Dakota and Michigan (upper peninsula; lower peninsula under Region 4 jurisdiction).

Region 6.—Paul E. Bowers

Regional Director

3266 Federal Building, 1520 Market Street, St. Louis 63103. Iowa, Missouri, Illinois counties of Calhoun, Greene, Jersey, Madison, Macoupin, Monroe, Randolph and St. Clair; Arkansas (except Crittenden County); Nebraska, Kansas, Oklahoma, and Texas (except El Paso and Hudspeth Counties under Region 7 jurisdiction).

Region 7.—Lowell M. McGinnis

Regional Director

13471 New Federal Office Building, 450 Golden Gate Avenue, Post Office Box 36007, San Francisco 94102. Washington, Oregon, California, Idaho, Montana, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, Texas counties of El Paso and Hudspeth; Alaska, Hawaii and Guam.

Letter of Transmittal

Federal Mediation and Conciliation Service, Office of the Director, Washington, D.C. December 31, 1974

To the Congress of the United States: In accordance with section 202(c) of the Labor Management Relations Act, 1947, I have the honor to submit the 27th Annual Report of the Federal Mediation

and Conciliation Service, for the fiscal year ended June 30, 1974.

Respectfully submitted.

W. J. Usery, Jr., National Director



The Federal Mediation and Conciliation Service

W. J. Usery, Jr., National Director

James F. Scearce, Deputy National Director

Lawrence B. Babcock, Jr., Executive Assistant to the Director

William P. Hobgood, Special Assistant to the Director

Kenneth E. Moffett, Director, Office of Mediation Services

Jerome T. Barrett, Director, Office of Technical Services

L. Lawrence Schultz, Director, Office of Arbitration Services

Stephen P. Lejko, Director; Office of Administrative Management

Herbert Fishgold, General Counsel

Norman O. Walker, Director, Office of Information

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Chapter I

Introduction

This 27th Annual Report capsulizes a year of dramatic change for the Federal Mediation and Conciliation Service—change dictated by the expanding scope of collective bargaining in America and by an economy that was marked by continuing aberrations.

Not since the immediate post-World War II years had labor and management renegotiated so many major contracts under such unstable economic circumstances. A controlled economy was decontrolled. "Double-digit inflation" became a common term demanding uncommon reaction at the bargaining table. The strange duet of rising employment and rising unemployment emerged.

The energy problem, which bloomed to crisis proportions, added a sense of urgency to the agency's efforts to fulfill its mission as the Nation's principal peacemaking organization in labor-management relations. Emergency conditions caused by fuel shortages found the

agency deeply involved in non-traditional disputes.

When tens of thousands of independent owner-operators of trucks pulled their rigs off the roads, the FMCS served rather as a "change agent" in bringing together various organizations of truckers, agencies of the federal government, state and local officials in a successful search for a formula that would get the trucks rolling again. The FMCS played a similar role when groups of independent service station operators, frustrated by both the shortage of fuels to sell and temporary pricing restrictions, threatened to close their vital facilities.

The realignment of FMCS staff and the vastly increased tempo of negotiations activity brought action-oriented programs to solve other emerging problems in both private and public-sector labor-management relations through the collective bargaining process.

The skills of mediators were used by the parties to help resolve disputes in critical negotiations in the copper, men's clothing and shipbuilding industries, in hundreds of impasses in the construction industry, in the food and publishing businesses.

The dynamic growth of collective bargaining in the public sectors brought a record-breaking number of requests, and responses, for mediation services. Among the more significant public-sector dis-

putes, mediators helped to locate the key to settlements in strikes against the Baltimore and Kansas City (Mo.) school systems.

Economic controls

Experience during nearly three years of federal economic controls of one kind or another—with wage controls being the most consistent—reinforced an earlier conviction that new approaches were needed to maintain and build upon the solid foundation established by FMCS over the last generation.

The rigid limitation the controls imposed on direct wage increases led unions to cast about for alternative benefits that would be acceptable under the stabilization rules, much as they had done during World War II and the Korean War. The bargaining issues became more sophisticated, requiring more specialized knowledge by the bargainers and therefore by the mediators.

There were other factors. Union organization of public employees continued to grow faster than the expertise of bargainers on either side. Grievance arbitration continued to gain acceptance as the way to resolve disputes during a contract term; the competence of arbitrators to rule on specialized issues became a matter of concern. The National Labor Relations Board broadened its policy of deferring to private arbitration by ceding initial jurisdiction over certain unfair

labor practice charges to the arbitration system established by the parties.

The challenge

The challenge to FMCS was clear. The nature and scope of collective bargaining was rapidly changing and becoming more complex. It meant that the agency had to step up its services to the labormanagement community, keeping pace with the changing collective bargaining scene. Also, the nation's economic problems required even greater mediation effort to prevent and shorten work stoppages.

From the agency's standpoint, much more had to be done over a much broader range, and done even better than before.

The first need was an organizational structure through which the wide range of talents of the FMCS staff could be most effectively applied. These steps were taken:

- An Office of Technical Services was established and given responsibility for development and implementation of techniques for dispute prevention, research and analysis of problems related to dispute activity, staff training and for providing statistical and other information to the parties. A coordinator was named in each of the seven FMCS regions to handle technical services and public sector mediation.
- The Office of General Counsel was redefined to include legal services and liaison with Congress and with government agencies.

- An Office of Arbitration Services was created to take over the growing functions in this area, which were formerly within the purview of the general counsel. The Arbitration Services Advisory Committee, composed of 12 distinguished industrial relations experts and arbitrators, was established and had scheduled meetings in the months ahead.
- An assistant director of mediation services for the public sector was named, insuring specialized supervision of cases in these different areas. Area coordinators were appointed to help supervise the mediation staffs at Los Angeles and Minneapolis, two of the larger offices.
- The headquarters staff was strengthened to provide varied support and direction to these new divisions and, in some instances, to meet special needs. For example, during the controls period the retail food industry presented such complex problems that a separate panel was created by the Cost of Living Council to handle them. FMCS assigned a representative to work with the panel. He is now serving as food industry coordinator in conjunction with a private labormanagement committee that grew out of the government panel. A special assistant to the director became deeply involved in the FMCS role in the energy crisis in the depth of winter.

Structure, of course, is a tool rather than a product. But the need for the best possible tools became clearer than ever during the year.



The FMCS workload reached a new high of 20,160 cases closed, the first time the 20,000 level has been reached. Mediators were at the bargaining table in 8,479 cases, also a record. Contracts in the nation's largest manufacturing industries were renewed without strikes, but the expiration of controls at the end of April brought a sharp increase in work stoppages in many other industries.

For the year as a whole, 14.9 percent of mediated dispute cases involved strikes, compared to 11.4 percent a year earlier. However, the FY 1974 percentage was identical with that in FY 1971, when many of the same agreements were last negotiated.

More illustrative than statistics of the shape of things to come was the first and final report of the National Commission for Industrial Peace, issued as the fiscal year neared its end. The commission, established by a Presidential Executive Order in April 1973, and including in its membership the top leaders of labor, management and the government, was assigned the responsibility of examining the state of labor-management relations and recommending how conflicts could best be avoided or peacefully resolved.

The commission's first recommendation was that the functions assigned to it by the President's Executive Order be turned over to an enlarged and strengthened FMCS. The second was that FMCS be given the requisite financial and other support to carry them out. The report went on to delineate several specific steps the agency should take in order to do its job better. Some of them, such as the technical services program, were already under way.

The commission's recommendations (see Appendix) included the following:

"That the Federal Mediation and Conciliation Service be given all the financial and other support necessary to enlarge and elevate the standing of its professional and mediation staff to develop and administer these additional functions.

"That Government refrain from imposing by any additional statutes compulsory arbitration or any other form of coercive action designed to determine the substance of wage and other contract provisions on labor and management engaged in negotiations, or to restrict the course which such parties may elect to follow.

"That Government concentrate its efforts mainly on the improvement and expansion of its mediation services, and on making available to labor and management the data and fact gathering facilities of its various departments or agencies with the view of narrowing the areas in which negotiating parties may face difficult issues; that, consistent with the underlying objective, all possible steps be taken to enhance the influence and responsibility of major leadership of both industry and labor in order that they may thereby play a more effective

and constructive part in the labor relations program under discussion."

Obviously there is no sure-fire formula, not even the commission's proposals, for equipping the FMCS to meet the ever-changing needs that lie ahead. The most important requirements are an appreciation of those needs and the flexibility to adapt to them.

This gearing up to meet future needs does not imply that the performance of the FMCS in FY 1974 needs an apology in any respect. Mediators helped avert thousands of strikes and were instrumental in settling those that occurred. Mediators established prenegotiations and postnegotiations relationships between the parties that defused potential crises and laid a foundation for long-term understanding.

Within the limitations imposed by statute, the FMCS participated in resolving strikable grievances that could have disrupted generally peaceful plant relationships.

The National Labor Relations Act directs the FMCS to refrain from entering grievance disputes except "as a last resort and in exceptional cases."

Arbitration of grievances as an alternative to strikes made continued headway during the year, as noted earlier. Procedural changes helped to reduce the lag in FMCS between a request for a panel of arbitrators and the submission of a list to the parties.

A highlight of the year for the FMCS professional staff was a four-day seminar in Washington, with a program that in many ways anticipated the report of the National Commission for Industrial Peace. Not only did the seminar bring to its rostrum a galaxy of present and former Cabinet members, other government leaders and top spokesmen for management and labor, it also presented a wide range of panel discussions that focused on the future role of the FMCS. At brief, separate ceremonies during the seminar, the FMCS honored eight persons, one posthumously, who devoted much of their lives to the cause of labor-management peace.

The foregoing summary of new developments in FY 1974, and the far more detailed chapters that follow, accurately depict the FMCS as an agency that is expanding to meet a growing workload. But neither by statute nor by administrative inclination is the FMCS oriented toward growth for growth's sake.

The law places upon the FMCS the duty to assist the parties to labor disputes in industries affecting commerce to settle such disputes through mediation and conciliation. It establishes a mandatory notification procedure so the FMCS will know when contracts are about to expire or be reopened. This procedure has been supplemented by informal arrangements with other agencies, as described in Chapter IV.

Genuine peace

But Congress wisely recognized that genuine peace can be made only by the parties themselves, and that local disputes are best settled as close to home as possible. Thus, while granting the FMCS wide discretion to decide which disputes are "substantial" enough to merit its attention, it cautions against entering those with "only a minor effect on interstate commerce if state or other conciliation services are available to the parties." The FMCS has taken this as a directive to assist in strengthening state mediation services wherever they exist.

These policies are fully in keeping with good mediation practice. Although the FMCS mediators check with the parties after each notification, their great hope is that agreement will be reached by the parties themselves—a hope that is realized in the overwhelming majority of cases. Even when difficulties loom, the FMCS normally becomes involved only after being invited by one or both parties, even though it is authorized to intervene on its own motion under the law, and occasionally does so.

In this sense, then, the FMCS does not go shopping for disputes to settle. Its rising workload results from a greater acceptance and appreciation by labor and management, of the value of third-party assistance which is essentially a vote of confidence in the mediation process.

But there are other areas in which the FMCS consciously does seek to expand, because expansion seems essential to the peacekeeping process. A primary example is the fostering of continuing relationships between labor and management in each bargaining unit. A regular exchange of ideas and discussion of problems not only will promote agreement at the next negotiations, but may also help to avoid grievance strikes—which now represent about a third of all work stoppages. The cultivation of better relations and bargaining techniques is the special objective of the Technical Assistance Program.

Better communications

This is a major aspect of a fundamental FMCS function—educating the parties themselves. More than a quarter-century of experience has proved that inadequate information and faulty communications are responsible for innumerable strikes that would otherwise not have occurred.

Thus the present-day mediator is more than a referee between the parties in a specific current controversy. He is an industrial peacemaker working to establish effective working relationships for the future as well as the present.

The internal changes instituted this year will make the FMCS even more effective as a peacekeeping agency, and more important, will strengthen the collective bargaining process as a democratic system for assuring justice in the workplace.

W. J. Usery, Jr.National Director &Special Assistant to the President **Chapter II**

Private Sector

A succession of major contracts in manufacturing, including those in the nation's two foremost industries, were negotiated in FY 1974 without significant work stoppages. But as the year ended a sharp increase in strikes to the highest level in more than 15 years, coupled with an ever-rising rate of inflation, raised grave doubts that comparable results would be attainable in the months ahead.

In bargaining terms, FY 1974 divided into two unequal parts: Ten months under the federal controls program and two months after its expiration.

The statistical contrast was dramatic. In mid-April there were 320 strike cases being monitored by FMCS. A month later, two weeks after controls expired, the figure was 494. By early June it reached 523. This compares to 259 in July 1973, when the fiscal year was just starting.

A comparison of full-year totals for FY 1974 with those for FY 1973 is therefore meaningless with respect to some areas where controls had a considerable

impact. For example, the full-year figure for mediated disputes that turned into strikes was 11.4 percent in 1973 and 14.9 percent last year, a relatively modest rise. But the percentage in May was 17.1 and in June, 19.5—quite a difference.

The background from which the sharp change developed is currently familiar but should be noted for the record. After government economic controls were applied in 1972, wage increases were held to 5.5 percent a year, but consumer prices rose farther and faster, and at an accelerating rate. Real earnings steadily declined; workers and their unions felt they had been exploited by the controls, and since their expiration have moved aggressively to recover lost ground.

Some unions, particularly in construction, reacted to controls by refusing to accept contracts for longer than a year. The expiration of these contracts as controls came to an end accounted for a substantial proportion of the May-June strikes.

Worker frustation over the wage limits was reflected throughout FY 1974 by an increase of almost 25 percent in membership rejections of negotiated agreements. In the two previous years the rejection rate of agreements in which FMCS was involved ran less than 10 percent; this year it was nearly 12½ percent.

The turn of events late in the year should not obscure the great positive

accomplishments of peaceful collective bargaining in FY 1974.

Agreements were negotiated over a period of months in the can, aluminum and basic steel industries, most of whose workers are represented by the United Steelworkers. The terms were similar, but the basic steel contract was of the greatest interest because it was the first operational application of the Experimental Negotiating Agreement adopted by the parties a year earlier.

The experiment provides for a very early start of negotiations and a stated deadline, at which point either party may submit unresolved issues to impartial arbitration, conducted according to a closely-defined schedule. The arbitrator's decision is final and binding; the right to strike or lock out is waived. However, individual local unions may strike over unresolved local issues.

The initial experience was completely successful. The negotiators came to agreement before the deadline. No issues were arbitrated. All local agreements were also reached across the table. The parties have agreed to continue the experiment in the 1977 negotiations.

Traditional methods prevailed in the even larger auto negotiations that preceded steel, but the outcome was not greatly different. Though there were a number of local strikes over local issues, the United Automobile Workers and the industry's Big Three settled for their basic contracts peacefully.

An important feature of these and most other major settlements was a cost of living clause, either newly added or significantly strengthened. This device enabled earnings to stay within reach of living-costs, without specific general increases in excess of the 5.5 percent limit. Another bargaining development, discussed in Chapter VI, was expedited arbitration.

An early agreement between the Longshoremen and the Atlantic and Gulf Coast shippers eliminated the possibility of a strike in the fall. Other major contracts reached without strikes covered workers in the U.S. Postal Service and the major airlines.

An outgrowth of the controls era was the creation by the parties of a Joint Labor-Management Committee of the Retail Food Industry. FMCS assisted in developing this private venture, is working closely with it and believes it will do much to promote more effective collective bargaining in a highly-fragmented industry.

Also notable, though involving smaller numbers, was an unprecedented 11-year contract between the typographers and the New York newspaper publishers. The agreement guarantees present workers lifetime job security, while allowing the publishers complete freedom to install automated equipment. This compromise could provide a pattern for resolving what has long been a contentious issue in much of the publishing industry.

Throughout the year, federal mediators were involved in closing 20,160 cases and were at the bergaining table in 8,479 of them, an all-time high. Just over 85 percent of all these cases were closed without strikes.

It should be stressed, despite the recent increase in strikes, that the peaceful agreements cited above were not the result of government pressure, nor were their terms distorted by wage controls. They were reached through free collective bargaining between parties represented at the table by skillful, experienced and far-sighted negotiators. They confirm once again that the encouragement of collective bargaining has been a wise policy for the United States, and will continue to be so in the future.

Independent Truckers

The most unusual mediation activity of the year—unique for FMCS and possibly the first of its kind for any government agency—involved the strike of the independent truckers in late January and early February.

National Director W. J. Usery Jr. was brought into the dispute in his newly-designated role as Special Assistant to the President, inasmuch as the strike was not in fact a labor-management matter. However, his efforts enlisted FMCS staff, facilities and techniques, so the case surely has a place in these pages.

The independent truckers—primarily owner-operators of large, long-distance rigs—carry a high proportion of the nation's highway commerce. They carry almost 90 percent of raw agricultural products, 65 percent of all processed steel and comparable shares of other goods, including a great proportion of the nation's food supplies. The truckers are loosely organized into numerous asso-



Scenes such as this faded from America's highways as the FMCS aided independent owneroperators of trucks, federal and state authorities to reach an understanding that brought an end to an energy-related shutdown by tens of thousands of truckers across the nation.

ciations, large and small, whose principal function in normal times is legislative activity. But as the fuel crisis intensified late in 1973, these associations became, in a functional sense, much more like trade unions.

The most immediate issue by far was the short supply and high price of motor fuel—a combination that exasperated and inconvenienced almost every carowner but endangered the very livelihood of the truckers, since they operate under fixed rates. Although all relevant federal agencies were cooperating, under a Presidential directive, in a many-sided effort to overcome the fuel problem and other, longer-standing grievances, the truckers were impatient and unconvinced. Stoppages spread to major centers across the country, creating serious shortages of food in some communities and of industrial materials, merchandise and the like in many more. Thousands of workers were laid off; food stores in affected areas imposed tight quotas and other restrictions on shoppers.

As the FMCS director put it, this was a conflict between the truckers and a set of circumstances. The task of the FMCS was to bring together the principal leaders of these highly-independent businessmen with the government officials responsible for meeting their problems, primarily to establish two-way communications. The truckers needed to be sure that government was in fact doing what it had promised, and the government officials were able to see for themselves that the truckers could not be ap-

peased by anything less than results.

As a result of these meetings the stoppage was suspended on the basis of a 14-point federal program. Copies of the program were distributed by the Department of Transportation to virtually every truck-stop in the country. The terms were also sent to state officials and to every identifiable trucker organization.

Parts of the federal program were adapted to relieve the cost-price-supply squeeze on truck-stop operators, who were often accused of contributing to the truckers' problems but were more often victims themselves.

San Francisco Area Hospitals

The nation's first major strike of hospital nurses began in early May 1974 in the San Francisco bay area. It involved some 4,400 members of the California Nurses Association and three hospital associations, Associated Hospitals of East Bay, Affiliated Hospitals of San Francisco, and the Kaiser-Permanente hospitals and clinics. Altogether some 42 facilities were struck.

Several months of negotiations failed to produce a new contract and the nurses began their work stoppage. After the strike had continued for more than two weeks it was clear that a stalemate existed. In view of this serious health crisis the FMCS national director accepted an invitation to enter the San Francisco dispute personally.

Hospital practices proved to be as important among the issues as economic factors. These included such matters as guaranteed weekends off and staffing of critical care areas in hospitals.

An agreement was ultimately worked out in a marathon 43-hour bargaining session with Federal mediators, and the provisions of the settlement were quickly ratified by the nurses after a three-week strike. Wage rates and retirement provisions may be renegotiated on January 1, 1975.

Clothing Workers

After more than a half century without an industrywide strike, the long peace was broken in June 1974 in the men's and boys' clothing industry.

A strike of more than 110,000 workers, represented by the Amalgamated Clothing Workers of America, occurred in some 750 plants in 30 states when negotiations for a new contract collapsed.

The inflationary impact on both parties was the main issue. The workers sought sizeable wage boosts to offset rising living costs whereas the ability of the clothing manufacturers to meet these demands was limited because of lagging demand for their products.

A mediation panel headed by the national director of the Service worked for several days before the walkout in New York City negotiations to help the parties achieve a settlement that would forestall a work stoppage, and considerable progress was made.

Once the strike began the negotiations were quickly reconvened in Washington where marathon talks led by the national FMCS director produced a settlement that was ratified by the workers. The cooperation of both sides, together with determined mediation,

made it possible to limit this first nationwide strike in some time to be terminated within one week's time.

Retail Food Industry

A unique experiment in labor-management relations, the Joint Labor-Management Committee of the Retail Food Industry, was conceived during the government stabilization program late in calendar 1973, came into formal existence—by coincidence—at the moment the Economic Stabilization Act expired (April 30, 1974) and is continuing with FMCS encouragement as a private venture financed by the major food retail chains and principal employee labor organizations.

The desirability of some type of coordination in food retailing became apparent during the stabilization period because of continuing problems for the Cost of Living Council and for FMCS. Not only was bargaining fragmented, but there was a dearth of economic information about the industry on both sides and little communication between them.

The committee idea was jointly developed by John T. Dunlop, director of the Cost of Living Council, and National Director W. J. Usery Jr. of FMCS. They arranged a series of meetings between top officers of eight of the largest national food chains and the three largest unions in the industry. The food chains were Safeway, Giant, A & P, Jewel Tea, Kroger, Colonial Stores, Acme and Supermarket General. The labor organizations were the Teamsters, Retail Clerks and Meat Cutters.

Agreement was reached on a com-



Picketing members of the Amalgamated Clothing Workers were able to return to work after a one-week strike was settled with the assistance of FMCS mediators in Washington.

mittee that would seek to improve collective bargaining, minimize unnecessary disputes, serve as a forum for the exchange of ideas, disseminate basic information on the industry and develop joint measures to meet its long-term problems.

The former chairman of the tripartite industry committee during the stabilization program, Wayne L. Horwitz, was chosen chairman. Working closely with him has been Nicholas A. Fidandis, FMCS national representative, who was named FMCS food industry coordinator under stabilization and continues in that capacity. The new committee has since been joined by additional interests on both sides, and plans to continue its efforts indefinitely into the future.

In the view of FMCS the committee has already been helpful in a number of cases, Although it does not and cannot join in bargaining as such—each member organization retains full autonomy—it can and does provide information impartially to the parties and facilitate communications between them.

Following are some major settlements in FY 1974;

A & P, Food Fair, Acme

A key issue that threatened to bring about a strike by the 13,000 workers represented by seven locals of the Retail Clerks International Union and employed by three national chains in Delaware, New Jersey and Pennsylvania was a \$20 a week cutback by the Cost of Living Council in the previous contract provisions. When impasse was reached the

parties were invited to meet under FMCS auspices in Washington.

A conference was arranged with the Cost of Living Council and subsequently with an appropriate official of the Food Industry Stabilization Committee, who indicated that the tentative terms previously outlined by FMCS should win council approval if the workers accepted them. Negotiations then continued throughout the night; agreement was finally reached on much the same basis suggested by the mediators.

Later the same day six of the seven local unions ratified the agreement. The seventh did so after a three-day strike.

The key to the agreement was the ability of FMCS through its liaison to arrange the informal meeting with the COL, giving the parties a first-hand insight into what was likely to be approved.

Food Employers Council, Inc.

The dispute between the Council, which represents all major grocery chains in California, and 20,000 employees represented by the various locals of the Teamsters, Machinists, Meat Cutters, and Operating Engineers unions was precipitated in part by the unions' attempt to emulate the employers and bargain jointly.

Intensive negotiations on a union-byunion basis during the last week before a scheduled strike and two subsequent weeks under an extension requested by FMCS failed to produce significant progress; a final offer by the employer Council was rejected by the union memberships and a strike began. Talks resumed a week later in Washington at the call of the FMCS national director. Seven days and nights of bargaining produced only partial agreement on language and economics.

After another week's recess, bargaining continued in Los Angeles. This time the remaining issues were resolved and the negotiated terms were ratified. The stoppage had lasted 35 days.

Another 2,000 Teamsters drivers were also on strike during the same period and returned to work under the same conditions.

California Processors, Inc.

The California Processors' primary function is to represent the major part of the state canning industry in its relations with the California State Council of Cannery & Food Processing Unions, which is comprised of 13 Teamster locals. At the height of the season 85,000 workers are employed by 28 companies in 70 plants.

As part of FMCS preventive procedures a mediator had met with each of the parties almost weekly over a period of nearly seven months, since a stoppage at harvest time could cripple a large segment of vital fruit and vegetable processing operations, with irreparable losses. Nevertheless a strike took place.

In a series of marathon meetings just before and during the stoppage—actual durations were 30, 26 and 28 hours—the national director and food industry coordinator of FMCS, together with the resident mediator, brought about settlement after only three days of negotiations.

General Dynamics (Quincy)

One of the toughest and longest strikes of the year occurred at the Quincy, Mass., shipyard of General Dynamics Corp. where some 1,700 members of the Industrial Union of Marine & Shipbuilding Workers conducted a 123-day work stoppage.

The strike was not only a blow to the economy of that New England area. It also threatened a major delay in construction of about \$1 billion worth of liquid natural gas (LNG) supertankers, much needed for energy delivery.

A company demand for steps to increase productivity at the yard complicated efforts to gain agreement on wage increases and other issues. Negotiations were held in the Washington offices of the Service with a panel headed by the national Director of the Service, but no settlement was reached.

Finally, the panel called for resumed talks in the Boston offices of the Service where, after two solid days of non-stop bargaining, an agreement was reached, largely on the basis of proposals made by the mediators. Under the agreement, the productivity issues were referred to a third party neutral to be appointed by the FMCS.

Owens-Illinois, Inc.

More than 3,600 employees of Owens-Illinois, Inc., a major bottle producing company, struck the firm in two separate actions April 1 and May 1.

The first strike by 2,000 members of eight Locals of the Glass Bottle Blowers Association International Union shut down nine plants on the west coast. The second strike by 1,600 members of the same union stopped production at 10 other plants in the United States.

Soon after the first strike began, the company requested assistance from the FMCS. A National Representative was assigned to the case and a meeting called in Phoenix. The two days of negotiations producd a tentative agreement, but it was voted down by the union's members.

While the first strike was still going on, the second strike hit the company. This time a settlement proved easier. A National Representative assigned to assist the mediator in the case brought the parties together for two days of hard bargaining in Philadelphia that ended up with an agreement that ended the strike on May 14.

Back on the west coast, a second round of negotiations got underway in Fresno, Calif. Two days of day and night negotiations produced a second agreement, and this time it was approved. The strike was over May 30.

Iowa Beef Processors, Inc.

A work stoppage that began July 12, 1973 ended more than six months later on January 23 when 2,000 members of Local 222 of the Amalgamated Meat Cutters and Butcher Workmen's Union returned to work at the Dakota City, Neb., plant operated by Iowa Beef Processors, Inc.

The work stoppage began when the company closed the plant the same day the union issued a 72-hour strike notice. The plant, which had innovated packaged beef production, had a significant

impact on meat supplies at a time of meat shortages.

A back-to-work agreement was reached January 21 in Washington following a week of day and night negotiations involving the local mediator, a national representative and the national director in separate and joint sessions with the two parties. It was based on the national director's recommendation that the three remaining unresolved issues be submitted to binding arbitration.

In accepting the recommendation, the company agreed to abandon its plan to reopen the Dakota City processing plant with new employees and the union agreed to end strikes at two other Beef processing plants in Mason City and Le Mars, Iowa.

The FMCS first became involved in the dispute in April 1973 when the contract then in effect expired. An extension was achieved, based on the proposal that a factfinding board would be created to study the situation in Dakota City. The factfinding board procedure failed to head off the work stoppage July 12. Negotiations and mediation efforts continued through the summer and fall.

In January, the growing impact of the lengthy strike on the economy as well as the company and its employees prompted the further action by FMCS which resulted in the Washington meetings.

Followup action included the appointment by the FMCS national director and the chairman of the Cost of Living Council of an arbitrator who held hearings in March and April and rendered his decision May 9 for final resolution.



Pickets were able to end their long vigil when mediators helped the Amalgamated Meat Cutters and Butcher Workmen reach a new contract agreement with Iowa Beef Processors, Inc.

Aladdin Industries Co., Inc.

Persistent efforts by the FMCS in a work stoppage involving Aladdin Industries Co., Inc., of Nashville, Tenn., and Local 4802 of the United Steelworkers of America turned a "lost cause" into a contract.

The 144-day strike ended June 17, 1974. The parties agreed on terms guaranteeing every striking employee his job within a specified period of time.

The lost cause aspect of the strike developed shortly after the 950-member bargaining unit struck the company January 24 on basically economic issues. The company began hiring new employees and accepting back those striking workers who agreed to work. With most of the striking workforce replaced, the International asked the FMCS to see if additional national office involvement could help salvage the original companyunion relationship.

A national representative assigned to the case proposed a recommendation in April that was accepted by the bargaining teams but later rejected by the union membership.

Using the rejected proposal as a basis for further talks, the national representative eventually obtained sufficient changes so that in June a second presentation to the membership resulted in approval and brought an end to the strike.

As a followup to this case, company representatives approached the FMCS after the new agreement was reached and asked whether the agency would help by working out a program to improve management-union relations.

This project was undertaken by the Office of Technical Services and the program is continuing.

Publishing

FMCS mediators were active in a number of disputes involving the newspaper industry, most of which were settled peacefully. In New York, Washington and Fort Lauderdale, Fla., mediators provided assistance in the development of historic printer contracts that resolved the longstanding and often disruptive issues of management's right to install modern equipment, and the union's determination to protect the jobs of its members.

In Detroit, following several stormy years of conflict, mediators for the second consecutive time aided the News, the Free-Press and the 10 unions representing their 4,700 employees in reaching a three-year contract without a strike. The director of mediation services and the local mediator joined the parties in three days of continuous negotiations that ran past the contract expiration time and brought a settlement without a work stoppage.

Mediators aided in the settlement of strikes at United Press International and at the Pittsburgh (Pa.) Press Co. A mediator stationed in Pittsburgh and the director of mediation services met with the Press management and the striking Teamsters in Pittsburgh, Washington, D.C. and Dallas in a determined and successful effort to settle the work stoppage through negotiating an acceptable contract agreement.

Taking note of the desire to improve labor-management relations in the publishing industry, National Director W. J. Usery Jr. on April 22 suggested to the convention of the American Newspaper Publishers Association that they consider establishing "a newspaper council made up of appropriate representatives of labor and management for the purpose of improving the industry from everyone's standpoint."

The objective of such a group, he said, would be "to improve collective bargaining, minimize costly and unnecessary disputes, and provide a forum for exerting joint effort on long-term industry problems and for improving labor-management communication."

Florida Power & Light Co.

A three-month strike by 4,200 electrical workers against Florida Power & Light Co., a major utility, was brought to an end February 1 when union members ratified a proposed contract based on recommendations made by the FMCS. The strike by various locals of the International Brotherhood of Electrical Workers began November 1, 1973, over wages.

Alleged acts of violence by striking workers complicated negotiations.

As the strike continued with economic hardships to both sides, compounded by the threat of diminished service to power customers, the FMCS augmented its local mediation effort, assigning a national representative to the case, and on January 21 scheduling negotiations in Coral Gables, Fla., that involved the parties,

the mediators, the FMCS regional director and the national director.

Six days and nights of negotiations followed and on January 26 the two parties announced that they had reached a tentative agreement. The discipline problem was overcome by the FMCS suggestion that a three-member screening committee of neutrals be appointed to hear charges against workers and to recommend the disposition of such charges. The agreement was ratified and the strike ended February 1.

Columbus Coated Fabrics

A highly complex series of events contributed to a strike of 142 days against the Columbus (Ohio) Coated Fabrics Co., a division of the Borden Inc., by some 1,000 members of two locals of the Textile Workers Union of America. Negotiations for a contract renewal opened under a cloud of confusion and unrest that stemmed from a little-known nerve ailment that had affected several employees, causing many others to stay off their jobs for weeks. The FMCS worked with the union, management and various state and federal health organizations in designing a program of medical surveillance and plant safety.

Soon after the strike began on February 10, 1974, management indicated that it was considering closing the facility. A national representative and the national director of the Service joined the local mediator in trying to resolve the dispute. At the request of the national director, company officials withheld plans to close the plant, but did dis-

mantle some parts of the operation. Mediators took part in some 36 meetings with the parties; including a series of sessions in the agency's Washington offices.

A mediator's recommendation aided the parties in coming to an agreement on an economic package, and the proposal was accepted by the union on June 30.

Kerr-McGee Industries

A strike that began May 1, 1973, against Kerr-McGee of Ambrosia Lake, N.M., by 750 members of the Oil, Chemical and Atomic Workers Union was finally settled by the two parties in December; but only after persistent efforts by the FMCS broke open deadlocked negotiations and arranged a back-to-work agreement.

Local mediation preceded the strike and continued after May 1. Nevertheless, the company began hiring replacement personnel which appeared to dim the chances for a settlement.

In September, a national representative was assigned to the case and called for negotiations in the national office on October 29. When contract talks failed to produce movement, the national representative shifted the focus of the negotiations away from the contract and toward achieving a back-to-work agreement, which was obtained November 4. Striking employees returned to their jobs November 12 and contract negotiations between the two parties resumed November 28. A new agreement was achieved in three meetings without further FMCS activity.

The Elliott Co.

The Elliott Co., a division of Carrier Corp., with plants in Jeannette, Pa., and Springfield, Ohio, was struck by 1,700 employees, members of Local 1145 of the United Steelworkers of America, on April 1.

Thirteen joint sessions involving local mediation failed to end the strike. At the request of the FMCS regional office, a national representative was assigned to assist in negotiations.

A final session of talks began with both the local mediator and the national representative taking part. Obstacles were overcome and a settlement, subsequently ratified, was achieved that ended the strike after 70 days.

Davol Inc.

Four days of intense negotiations finally brought an agreement between Davol, Inc., a Rhode Island-based manufacturing firm with plants in Providence and Cranston, and Local 911 of the United Rubber Workers in one of the longest strikes during FY 1974.

The strike began September 25 when the 1,500-member union walked off the job at both plants and lasted for 126 days.

Thirteen joint sessions assisted by the local mediator resulted in some progress toward a settlement, but when talks bogged down, the union asked the national office for additional assistance.

A national representative was dispatched to help. Four days of continuous negotiations finally overcame the major issues separating the two sides and an

agreement was reached. Ratification followed. Workers returned to their jobs in early March.

Gates Rubber Co.

Five days of continuous negotiations in Denver under the joint auspices of a national representative and the local mediator finally achieved an agreement that ended a 56-day strike by 4,000 members of United Rubber Workers Local 154 against the Gates Rubber Co. of Denver.

The strike began on August 28, 1973, and nine joint sessions involving local mediation followed. In an effort to speed a settlement, the Rubber Workers requested additional mediation help from the national office, and a national representative was assigned to the Denver negotiations.

The ensuing five-day marathon session with both local and national mediators on hand finally produced movement on both sides to bring about a tentative agreement. The agreement was ratified a few days later by the local and the strike ended October 22.

Babcock & Wilcox Co.

On July 16, 1973, 3,000 members of Local 900 of the Boilermakers union struck Babcock & Wilcox Co., a manufacturing firm in Barberton, Ohio.

A local mediator held 10 joint sessions with the parties, but as the strike dragged on without a settlement, the FMCS requested both parties to come to Washington for further talks with a national representative assigned to the case in addition to the local mediator.

This approach proved worthwhile, for after two days of non-stop negotiations, a tentative agreement was reached. Some persuasion by the president of the international union helped in obtaining membership ratification, and the strike ended on September 12.

Construction Industry

At first glance the end of wage and price controls in April appeared to have signaled a sharp increase in wage demands triggering a flurry of strikes in the construction industry; but a closer examination shows this to be only partially true. Certainly the 120 strikes in progress at the end of the year were higher than in any year since the FMCS began keeping records in 1959. On the other hand the total of 289 strikes from January to June shows only a modest increase over the totals of the three previous years when controls were in effect and is significantly below the 368 work stoppages in the construction industry that occurred during the same period in FY 1970, the last full year without controls.

Most of the 289 strikes took place after April 30. Again it is tempting to blame unrestrained wage demands; but again such a conclusion cannot be supported. First-year wage increases in 200 construction settlements negotiated before April 30 averaged about 8 percent, whereas first-year wage increases in 1,000 settlements after April 30 averaged about 10 percent. Settlements after April 30 do indeed reflect an increase, but not the size of increase likely to set off a wave of strikes in the building in-

dustry. Again, a comparison with the last pre-control year, FY 1970, shows that in that year first-year wage increases averaged about 15 percent.

More important than the wage demands that followed the end of controls was the timing of the end of controls. For three years labor unions had been following a pattern of scrapping multiyear agreements in favor of one-year contracts in order to be in a better bargaining position once controls ended. As a result, an unusually high number of construction contracts expired during the January-June period of FY 1974. In addition, the end of controls on April 30 —with several months warning—caused many unions to delay negotiations that normally occur in February, March and April until May and June. The 200 settlements from January to the end of April and the 1,000 settlements from May to the end of June not only reflected a modest increase in wage gains during the final two months, they also reflected the bulge of negotiations at year's end.

Thus whereas there were 79 fewer construction strikes in the latter half of FY 1974 than in the same six months of FY 1970, there were 14 more strikes in progress on June 30, primarily because bargaining was heavier later in the year.

The FMCS continued to support multitrade agreements. Not only do these give stability to an area by coordinating bargaining to prevent a strike by one union that could have a devastating impact on construction as a whole and idle thousands of workers who have already reached agreements, they also prevent



"leapfrogging" wage gains that have the effect of encouraging wildcat strikes by other unions to gain parity.

A good example occurred in Detroit where a two-year multi-trades agreement between 18 craft unions and 17 construction employer associations of the metropolitan area was worked out peaceably for the third time in as many negotiations. A local mediator coordinated bargaining. The first Detroit multi-trades construction contract was signed in 1970. The new agreement that went into effect June 1, 1974, like its predecessors, prohibits strikes and lockouts and provides for binding arbitration. Although a few unions remain outside the pact. the impact of the multi-trades agreement has been to insure uninterrupted building activity in the Detroit area.

The FMCS continued to be involved in the settlement of a number of major construction work stoppages. On February 11, 500 Sheet Metal Workers went on strike in Hawaii. Local mediation helped bring about a settlement in mid-April.

In Kansas City, Mo., 700 members of two locals of the Bricklayers, Masons and Plasterers' Union went on strike May 1. Local mediation efforts helped to bring the work stoppage to an end in late June.

In Cleveland, almost 5,000 carpenters struck May 1, halting many construction projects until mediation aided in working out a settlement in early June.

A simmering dispute between 3,000 members of Local 324 of the Operating Engineers Union and the Michigan Road Builder and Repair Employers was de-

fused and a new contract reached in June. Retroactive to May 1, the agreement ended a 16-day strike by the engineers who had been working eight months without a contract. The dispute also included a one-week lockout in October. Five joint sessions with the local mediator enabled the two sides to reach a new three-year pact and end the work stoppage that had halted more than \$200 million in road and bridge construction.

Colorado Food

A 12-day strike by 7,000 Retail Clerks against a major food chain in the Denver area was resolved by almost continuous negotiations coordinated by local mediators. The strike began November 1 when the union rejected the company's final offer. A modified offer worked out in joint session with mediation was also rejected by the union; the company then locked out the remaining workforce. A settlement was finally reached, again in a mediated session, which proved acceptable and brought the work stoppage to an end November 12.

Kelsey-Hayes Co.

An 80-day strike by the Allied Industrial Workers against the Kelsey-Hayes Co. of Jackson, Mich., was resolved May 22 after 24 joint meetings involving local mediation. The strike, which began in early March when the existing contract expired while negotiations were in progress, required patience and determination on the part of the mediator. Slow but consistent progress eventually brought both sides to an agreement and also con-

tributed to better labor-management relations.

Union Carbide Nuclear Co.

More than 8,500 employees represented by the Atomic Trades and Labor Council (Metal Trades Council) in Oakridge, Tenn. gained a new contract with the Union Carbide Nuclear Co. without a work stoppage with the aid of mediation. In four mediation sessions chaired by the FMCS regional director, who was joined by his assistant and the local mediator, an agreement was reached without a strike at this critical nuclear facility.

Brown & Williamson Tobacco Corp.

A coordinated mediation effort in three states was utilized to help resolve a dispute involving 7,000 members of the Tobacco Workers International Union and the Brown & Williamson Tobacco Corp. Mediators conducted a team approach to handle labor-management problems at company facilities in Louisville, Ky., Petersburg, Va. and Winston-Salem, N.C., in order to help the parties reach a settlement without a work stoppage.



Chapter III

Public Employee Bargaining

Introduction

Public sector employment is increasing at a record rate. Since 1947 it has almost doubled; more than 13 million persons are now employed in Federal, state or local government. Whereas union organization in the private sector remains at about 20 percent, in the public sector it exceeds 33½ percent, and is still growing.

The FMCS has had to develop new techniques to effectively mediate public employee bargaining disputes. Creative approaches are often needed to deal with the multifaceted nature of negotiations, which may involve political entities—school boards, city councils, legislatures, etc.—as well as manage-

ment and labor in the more conventional senses. Mediation must sometimes operate in anticipation of factfinding or arbitration procedures which could affect whatever emerged from the mediation process. Civil Service regulations may limit the scope of bargaining and require the parties to avoid negotiation of legislated or prescribed management rights.

Although collective bargaining has existed in government employee relations for many years, the negotiation of a formal labor agreement is a relatively new process for most government agencies and most unions of public workers. FMCS seeks to guide these parties over this unfamiliar ground so they can resolve their differences peacefully with benefit to themselves and to the public.

Federal Sector Mediation

In August 1973 the FMCS announced a new policy for providing assistance to Federal agencies and labor organizations in the resolution of collective bargaining disputes under Executive Order 11491 as amended. The Service assigned all new Department of Labor bargaining unit certifications and all notices of bargaining to FMCS (Form 53) as cases for mediator followup.

The new policy was based on the President's Executive Order stating that collective bargaining in Federal employment should be supported and encouraged. The Service committed itself to become an active advocate of bargaining in certified Federal employee units. In particular, the Service expressed the intention of investigating the reasons why

nearly 1,200 Federal employee bargaining units had been certified but still lacked initial contracts.

As a result of the new policy, the number of Federal employee cases with which the FMCS professional staff had contact increased from less than 200 in FY 1973 to more than 500 in FY 1974.

This increased caseload required both expansion and reorganization of the FMCS facilities for dealing with the Federal sector. The position of Assistant Director of Mediation Services was created and was given responsibility for public sector mediation in general. A deputy assistant director was appointed to assist in the mediation of significant Federal disputes in particular. Seven outstanding mediators were named regional coordinators to assist mediators in their areas to achieve timely settlements in Federal cases.

Of the 507 cases monitored by FMCS in FY 1974, 284 were closed during the fiscal year, 236 by negotiated agreements and 48 through various other dispositions (referral to the Federal Service Impasses Panel, the Federal Labor Relations Council, etc.). In the remaining 223 cases, negotiations continued in FY 1975. A total of 390 joint conferences were held in 140 of the 284 closed cases, with agreements being reached in 120 of them.

It will be seen from the above data that the parties bargaining under the Executive Order are utilizing FMCS in almost 50 percent of the cases. Due to the recent increased emphasis on collective bargaining in Federal agencies, FMCS anticipates actively assisting at the bargaining table in approximately 250 cases and maintaining liaison with the parties in an additional 500 cases during FY 1975.

Illustrative Cases

U.S. Customs Service

An FMCS mediator learned that four widely-spaced meetings had produced little progress toward a contract covering this 925-member unit represented by the National Customs Service Association at the Boston, Mass., office of the U.S. Customs Service. He suggested that bargaining continue for at least two more sessions, after which the parties might jointly request FMCS participation.

Negotiations continued to move slowly. The ground rules established by the parties prior to bargaining also presented obstacles. The mediator urged the parties to set specific dates on which bargaining sessions would be held, as well as a deadline date, after which, if no agreement had been reached, mediation could begin.

Several expedited meetings succeeded in reducing the number of unresolved issues before mediation was requested. Joint conferences chaired by the mediator were finally scheduled, and in four sessions a one-year agreement was reached.

McGuire Air Force Base

Negotiations for an agreement between McGuire Air Force Base and a 1,100-employee unit represented by the American Federation of Government Employees at Trenton, N.J., had been in progress for almost three years when the union submitted 10 articles covering over 50 separate issues to the Federal Service Impasses Panel.

After representatives of the Federal Service Impasses Panel and FMCS reviewed the status of the negotiations, it was decided that the parties should return to the bargaining table with intensified mediation assistance in an attempt to resolve as many issues as possible.

It was necessary for FMCS to conduct four joint conferences and numerous separate sessions over almost five months. These meetings finally produced a one year agreement which included several innovations in the areas of equal employment and merit promotion.

Because of FMCS assistance in these negotiations, both parties developed a better understanding of the mediation process and the ability to conclude contract negotiations in a more timely fashion than had been their previous pattern of bargaining.

Keesler Air Force Base

Over 700 instructors at a technical training school affiliated with the National Federation of Federal Employees for bargaining at Keesler Air Force Base, at Biloxi, Miss.

Several months of hard bargaining on ground rules for initial contract nego-



tiations had been fruitless. FMCS assistance was requested and resulted in agreement on the procedures for bargaining.

When the parties turned to substantive issues they exhausted almost all of the official time allocated for bargaining with agreement still distant. FMCS was again asked to help. After several mediation sessions a two-year contract was agreed to, except that four issues were referred to the Federal Service Impasses Panel and an additional eight negotiability questions were sent the Federal Labor Relations Council.

FMCS continued to press informally for an agreement even after these procedures and additional joint conferences were scheduled. These sessions resulted in agreement on all four impasse items and six of the eight negotiability disputes.

Although the remaining negotiability questions are before the FLRC, the parties are now operating under the negotiated two-year contract.

Army-Air Force Exchange Service

The Army-Air Force Exchange Service at Charlestown, Ind., a facility employing about 400 employees, experienced a four-day work stoppage by the 300-member AFGE local.

The national office of FMCS received several requests to assist in resolving the dispute. A field mediator and a representative of the national office immediately arranged for a joint conference. At the joint session it was discovered that the reason for the strike was a cut in all salary rates in the bargaining unit following a job survey by management.

The mediators' efforts resulted in a return to work based on management's agreement to restore the old rates until further instructions from the Department of Defense.

Federal Aviation Administration Academy

The Association of Academy Instructors is a bargaining unit at Oklahoma City, Okla., comprised of 550 instructors at the Federal Aviation Administration Academy engaged in the training of FAA personnel in control tower operations and allied areas.

The mediator established contact with representatives of both parties prior to the beginning of negotiations for a first contract. He periodically called agency and union representatives to ascertain the status of negotiations. After six meetings over a four-month period, FMCS services were requested.

A joint conference was held, and impasse was reached on two articles. These were referred to the Federal Service Impasses Panel. However, FMCS persisted in trying to bring the parties to a settlement and another joint meeting was called by the mediator.

Agreement was reached on the remaining two articles, a 12-month contract was signed, and the parties withdrew their request for assistance from the FSIP.

General Services Administration

Locals 2126, 2170, 2275 of the American Federation of Government Employees, representing more than 1,200 employees, were involved in negotiations for an initial master agreement with the General Services Administration offices at San Francisco.

The parties spent six months negotiating ground rules. Although FMCS maintained telephone contact throughout that time, no active mediation assistance was rendered.

After two months of bargaining on substance, FMCS services were requested. The mediator assisted the parties in structuring their negotiations so that his presence would not be needed unless and until the great number of unresolved issues were substantially narrowed.

Little bargaining activity ensued over the next three months, and the mediator again became involved in an effort to bring the case to a successful conclusion.

After the mediator's entry, nine sessions were held over a six-week period and a three-year agreement was reached.

State and Local Mediation

On August 10, 1973, FMCS announced a policy of involvement in labor negotiations between states, counties and municipalities and their employees. In response to the recent increase in public employee collective bargaining, the Service proposed that in the public interest, it assist parties in collective bargaining in jurisdictions which lack adequate dispute resolution capability. Moreover, FMCS committed resources to help states and localities develop mediation services.

In a September directive designed to expand the FMCS monitoring efforts, mediators were urged to become aware of and advise their regional offices of any local public sector negotiations which might benefit from FMCS assistance under the conditions specified above. To give further direction to the policy, FMCS established a Coordinator for Technical Services and Public Sector Mediation at each regional office.

The following statistics summarize FMCS involvement in this sector during FY 1974. The Service closed 140 cases, 21 state and 119 local. In addition, FMCS participated in 69 cases which remained unsettled on June 30. The closed cases alone affected over 70,000 employees, running the gamut from teachers to street cleaners. In more than three-quarters of these cases the parties reached a full agreement. The rest were closed when the cases were referred to other government agencies, to factfinding, and so on. Federal mediators held, on the average, 3.23 meetings per case. In a year of accelerating inflation, workers were concerned with wages, pensions and contract duration. The employee's uneasiness about the future is reflected in the fact that only seven contracts were for more than 24 months; over a third expire after one year.

Aggregated statistics don't reflect the individual elements in the total picture. Closer analysis reveals that almost half of these cases originated in two states, Illinois (51 cases) and Ohio (16). A substantial proportion involved school boards and teachers or maintenance personnel.

Illustrative Cases

New Hampshire Teachers

The State Employees Association was recognized as bargaining agent for employees of the New Hampshire State Department of Education in 1971. Meaningful bargaining began in September 1973. The parties reached an impasse on February 26, 1974.

The union requested FMCS assistance, and the Department of Education agreed. Representatives of the 578-person unit and the department were involved in two joint conferences with the Service on March 4 and March 19. Full agreement was reached, including FMCS being designated as the final step in the grievance procedure and in negotiation impasses.

The 20-month agreement was executed on April 26, and immediately sent to the New Hampshire attorney general for approval. Terms covered seniority, grievance procedure, management prerogatives, duration of contract and working conditions.

Wilmington, Del., Schools

Local 762, American Federation of Teachers, and the Wilmington, Del., School Board requested FMCS assistance on October 5, 1973. In addition to the 900 teachers, the local was also bargaining for 200 paraprofessionals and 100 clericals on this renewal agreement.

Over 50 issues were at impasse when the mediator arrived. Joint conferences were held October 5, 6, and 9. Some progress was made, and further sessions were scheduled from October 12 to 18.

Agreement was not reached, and a strike occurred on October 18 and lasted until October 22. In all, FMCS held 11 joint conferences before the dispute was resolved.

Both parties were unfamiliar with the mediation process at the outset but at the conclusion of negotiations the FMCS was officially cited by the City of Wilmington for its contribution to a settlement and to the continued education of the school system's 12,000 students.

Issues included wages, union security, grievance procedure, overtime, work hours, pension, insurance, management prerogatives, duration of contract and working conditions.

Hillsborough Community College, Tampa, Florida

The Facility Bargaining Council and officials of Hillsborough Community College, Tampa, Fla., began initial contract bargaining February 1, 1974, and reached impasse March 29. They re-

quested FMCS assistance in these negotiations involving 180 full-time faculty members at this four-year community college.

The mediator first met with the parties on April 10 and 11 in the FMCS Tampa field office. At the next meeting, on April 15, tentative agreement was reached on the first contract ever negotiated between a college or university and its faculty in the state of Florida.

The impasse at the start of mediation included six language issues as well as salaries and length of teachers' contracts. The parties worked well with mediation and showed considerable flexibility and expertise for new participants in the collective bargaining process.

Both sides were impressed with the mediation process and grateful for FMCS assistance.

The 12-month agreement included articles on wages, union security, grievance procedure, overtime, hours of work, pension, insurance and management rights.

Mad River Township Schools, Dayton, O.

On January 31, 1974, the 400-person Mad River Township Classroom Teachers Association declared an impasse in negotiations with the school board over the terms of a renewal contract to cover the 1974-1975 school year. In accordance with the impasse procedure contained in their current agreement, a joint request was made for FMCS assistance.



On February 8, a preliminary conference was held between the mediator and the chairmen of both negotiating committees. A joint conference of the full bargaining committees was scheduled for February 12. Issues in dispute were numerous and included both contract language and economics.

During conferences on February 12, 18 and 27 and March 7, the parties reached agreement on several points. However, a strike occurred on March 25 and lasted until March 28, at which time final settlement was reached.

Terms covered by the contract included wages, insurance, pensions, grievance procedure, contract duration and working conditions.

Eastern Illinois University, Charleston, Ill.

The mediator was notified on October 9, 1973, that a strike by Local 981, American Federation of State, County and Municipal Employees, against Eastern Illinois University, was in progress and both parties requested assistance. The unit consisted of 400 building service employees of the university, 225 of whom were striking.

The first joint conference with the mediator was on October 10. Other sessions were held October 11, 12, 15 and 16. The university had offered nine cents an hour which represented a 3.2 percent increase. It was the position of the university that no other money was available, because of a political deadlock over additional state funds. However, at the insistence of the mediator, the univer-

sity increased its offer to 13 cents on the basis that the needed money was available from the savings in wages resulting from the 30-day strike.

A 12-month agreement was finally reached.

Kansas City Schools

The first strike in the 106-year history of the Kansas City, Mo., schools had dragged on for 35 days, in a welter of legalisms swirling around a series of immovable positions, when the despairing parties agreed to let FMCS take a hand.

A week later the strike was over and all issues, both substantive and legalistic, peacefully resolved.

This was not as easy as the summary sounds. The mediator first held marathon sessions of 15 and 17 hours with the parties (the school board and Local 691, American Federation of Teachers) in private. He induced both sides to replace long-embattled spokesmen with a pair who got along with each other. Then he turned to the 40 monetary issues the school board had refused to discuss and convinced the board to discuss them.

Next, the mediator arranged to get the union president out of jail, where he had been sent for violating an anti-strike injunction, and back to the bargaining table, since the union would not bargain without him. He did this by convincing the judge that the federal building, where negotiations were held, could be considered an extension of the jail.

From then on there was nothing to it—just the usual 9 a.m. to 2 a.m. bargaining meetings until settlement. And, of course, prevailing on the court to set aside a \$40,000 fine against the union and various charges against its leaders.

Ironically, FMCS had offered its services before the strike started and again after its first 15 days. Only after an appeal by concerned citizens did the school board (by a 4-3 margin) consent to FMCS involvement.

San Antonio Bus Drivers

The mediator learned of a strike by the San Antonio, Tex., bus drivers at 6:30 a.m., November 14, 1973, and news media confirmed that the drivers, members of the Amalgamated Transit Union, had rejected the available agreement. The mediator immediately contacted both parties to arrange a joint conference at 4 p.m. the same day.

No real movement was made at the joint conference. However, in separate caucus the mediator learned that the city council was to re-evaluate the economic package the next day. The problem was complicated by court orders and subpoenas which were issued for 30 drivers to return to work.

The mediator made numerous calls and attended the city council meeting to determine the solidarity of the management's position. The union membership also met that evening but did not change its position. In the meantime, the transit system filed contempt charges against the union and the striking employees.

The mediator arranged an off-therecord meeting between the assistant general manager of the transit system and an international representative of the union. This session proved invaluable to the parties for gaining insights into the areas where position changes might occur. These discussions led to an agreement which ended the strike after six days.

The parties subsequently conferred with the mediator in an attempt to provide educational assistance to local union officers and stewards to develop a more effective contract administration system.

Alaska State Employees

The state of Alaska passed a collective bargaining act which became effective July 1, 1973. Subsequently, the Alaska Public Employees Association became the collective bargaining agent for the state's 4,000 white-collar employees.

Negotiations reached a stalemate and a strike was scheduled in mid-January 1974. A work stoppage was temporarily restrained by a court order. The parties agreed to FMCS assistance and a first meeting was held in Juneau.

The mediator continued to press for an agreement and a settlement was reached one week later.

FMCS assistance was the critical factor in avoiding a work stoppage and bringing about this 18-month initial agreement which not only covered the 4,000 employees in the unit but also affected a large segment of the remaining 5,000 state employees.

Chapter 4

Analysis of dispute mediation

Mediation is, of course, the central function of FMCS. The tables in this chapter provide a statistical group portrait of FMCS mediators at work, but statistics give only a limited view of the mediation process.

In essence, the role of the mediator is to create a climate that is hospitable to both parties and thus encourages them to reach agreement. What is needed to create such a climate varies from case to case, and is greatly influenced by the general economic and political atmosphere. Blending these variables into an effective whole is a vital element in the art of mediation.

During FY 1974, the workload of the Service in all areas of activity (disputes, technical assistance, and public information and education) topped 20,000, as shown in figure 1. Joint meeting dispute case closings totaled 8,479, the highest in the history of the Service.

Figure 1. Number and percent of closed dispute, technical assistance and information and education cases participated in by FMCS mediators for fiscal years 1970-1974

	Ail mediation activity											
	1974		1973		1972		1971		1970			
Type of case	Total number of cases	Percent of fiscal year total										
Total	20,160	100.0	18,238	100.0	17,248	100.0	19,285	100.0	18,996	100.0		
Dispute cases	18,809	93.3	16,930	92.8	15,994	92.7	17,608	91.3	16,938	89.2		
Joint meeting* .	8,479	42.1	7,238	39.7	7,215	41.8	7,991	41.4	7,509	39.5		
Nonjoint meeting**	10,330	51.2	9,692	53.1	8,779	50.9	9,617	49.9	9.429	49.6		
Technical assist- ance cases†	642	3.2	515	2.8	523	3.0	851	4,4	1,218	6.4		
Information and education cases††	709	3.5	793	4.4	731	4.2	826	4.3	840	4.4		

^{*} Cases in which joint and separate mediation conferences were held.

^{**} Cases followed closely by mediators from assignment until final closing, requiring only informal mediation with no joint conferences.

[†] Cases comprise training, education, consultation and problem-solving activities performed by mediators for representatives of labor and management, other neutrals in dispute resolution, professional associations and academic institutions.

^{††} Cases include activities such as informational addresses to public and professional groups and associations; interviews with newspapers, magazines, radlo and television media; film showings, and appearances and participation in conventions, seminars and similar occasions.

Figure 2. Number and percent change in number of closed FMCS joint meeting cases for three year intervals by sector and industry for fiscal years 1959, 1962, 1965, 1968, 1971 and 1974

	Closed joint meeting cases										
					65		68	1971		1974	
Sector and Industry	Total number of cases	Total number	Percent change from previous 3 years	Total number of cases	Percent change	Total number of cases	Percent change	Total number of cases	Percent change	Total number of cases	Percent change from previous 3 years
Total Private sector Manufacturing	7,178 [*] 7,139 4,951	7,313 7,313 5,070	+ 1.9 + 2.4 + 2.4	7,445 7,445 5,230	+ 1.8 + 1.8 + 3.2	7,485 7,476 5,157	+ 0.5 + 0.4 - 1.4	7,991 7,849 5,217	+ 6.8 + 5.0 + 1.2	8,479 8,217 5,161	+ 6.1 + 4.7 - 1.1
Retail, wholesale, service industries	1,309	1,209	- 7.6	1,135	- 6.1	1,208	+ 6.4	1,434	+18.7	1,775	+23.8
Public utililies, communications, transportation	251	349	+39.0	476	+26.7	522	+ 9.7	634	+21.5	689	+ 8.7 + 7.1
Construction	560	577	+ 3.0	513	-11.1	514	+ 0.2	495	- 3.7	530	
Mining, agriculture, finance	68	108	+58.8	91	_15.7	75	-17.6	69	-8.0 $+1477.8$	262	-10.1 +84.5
Public sector	N.A.	N.A.†	N.A.†	N.A.†	N.A.†	9		142	+ 1477.0		

^{*} Of this total 39 cases were classified as "miscellaneous"

[†] Not applicable

On a simple year-to-year basis these new records might not be overly significant, since the volume of FMCS activity depends heavily upon the volume of contracts that are open for negotiation in any given year. What gives them added validity is the cyclical threeyear comparison, compiled this year for the first time. The bulk of FMCS activity is in manufacturing; the preponderance of manufacturing contracts run for three years. Thus the increase in FMCS involvement is shown more accurately by a 1968-71 or 1971-74 comparison than by comparing two consecutive years. The three-year relationships are shown in Figure 2.

As noted, manufacturing accounts for most mediation activity. But as also shown in Figure 2, the public sector, while still small, is growing fastest. Figure 3 sets forth the distribution of dispute cases among initial contracts, renewals, reopenings and exceptional grievances. These proportions have remained relatively constant in recent years.

Figure 3. Number and percent of closed joint and non-joint meeting dispute cases participated in by FMCS mediators by type of negotiation for fiscal year 1974

			FMCS dispute mediation cases						
			Joi meeting		Non-joint meeting cases				
Type of negotiation	Total number of dispute cases	Percent of total dispute cases	Number of cases	Percent of total dispute cases	Number of cases	Percent of total dispute cases			
Total	18,809	100.0	8,479	45.1	10,330	54.9			
Initial contracts	1,705	9.1	895	4.8	810	4.3			
Contract renewals	15,646	83.2	6,854	36.4	8,792	46.7			
Contract reopenings	1,247	6.6	528	2.8	719	3.8			
Exceptional grievances	211	1.1	202	1.1	9	0.1			

With the end of controls in sight, money issues dominated the bargaining. Figure 4 indicates an increase in both the variety and the number of issues. Sharpest increases occurred in wages (20.4 percent), vacations and holidays (19.6 percent), and pensions, insurance and welfare (18.5 percent). These three major issues contributed to an overall increase of 12.7 percent over FY 1973.

Figure 4. Frequency and percent change in contract issues in closed FMCS joint meeting cases for fiscal years 1970-1974

years 1970-1977	1970	970 1971			72	19	73	1974	
	Total number of issues	Total number of issues	Percent change from previous fiscal year	Total number of Issues	Percent change from previous fiscal year	Total number of issues	Percent change from previous fiscal year	Total number of issues	Percent change from previous fiscal year
Contract issues Total	36,264	38,410	+ 5.9	35,066	8.7	35,408	+ 1.0	39,894	+12.7
Duration of contract	1,928	4,858 1,516 2,184 2,601	+ 5.3 +16.2 +13.3 + 3.4	4,621 1,396 1,938 2,339	4.97.911.310.1	4,781 1,437 2,007 2,365	+ 3.5 + 2.9 + 3.6 + 1.1	5,448 1,388 2,249 2,693	+13.9 - 3.4 +12.1 +13.9
Job classification	1,395	2,191 1,429 5,620 1,717	+ 2.2 + 2.4 + 6.2 + 7.3	1,995 1,446 5,046 1,748	- 8.9 + 1.2 -10.2 + 1.8	2,032 1,594 4,922 1,694	+ 1.8 +10.2 - 2.5 - 3.1	2,257 1,582 5,833 1,650	+11.1 - 0.7 +18.5 - 2.6
Union security	1,329 5,039 6,975	1,275 5,444 7,481 1,601	- 4.1 + 8.0 + 7.2 + 3.7	1,183 4,663 6,602 1,634	- 7.2 -14.3 -11.7 + 2.1	1,321 4,445 6,547 1,738	+11.7 - 4.7 - 0.8 + 6.4	1,204 5,318 7,882 1,818	- 8.9 +19.6 +20.4 + 4.6
Other contract issues	. 586	493	-15.9	455	- 7.7	525	+15.4	572	+ 8.9

Strike statistics are always of great public interest. It was noted in Chapters I and II that the percentage of strikes in FMCS cases increased over the two previous years. But as shown in Figure 5, the strike percentage in FY 1974 was identical with that in FY 1971, the most nearly comparable year in terms of contract expirations.

Figure 5. Number and percent of closed FMCS dispute mediation cases involving strikes by three year intervals for fiscal years 1965, 1968, 1971, 1974

Fiscal Year	Total number of closed dispute cases	Total number of closed dispute cases involving strikes	Percent of total dispute cases involving strikes
1965 1968	19,044 18,763	1,792 2,351	9.4 12.5
1971	17,608	2,616	14.9
1974	18,809	2,801	14.9

A nother indication of discontent, or lack of it, is the number of contract settlements negotiated under FMCS auspices but subsequently rejected by the members of the bargaining unit. The FY 1974 percentage of 12.4 was nearly 3 percent above the previous year, and was the highest in any year since 1967. The three-year comparison is shown in Figure 6.

Figure 6. Number and percent of closed FMCS joint meeting cases involving rejection of tentative settlement by three year intervals for fiscal years 1965, 1968, 1971 and 1974

Fiscal year	Total number of closed joint meeting cases	Total number of rejections in closed joint meeting cases	Rejection cases as a percent of closed joint meeting cases
1965	7,445	746	10.0
1968	7,485	893	11.9
1971	7,991	795	9.9
1974	8,479	1,050	12.4

The Service is concerned with all industries affecting commerce, except rails and airlines. This report covers only FMCS case closings. It does not represent the total number of contracts negotiated in the Nation during the fiscal year. Often several contracts will result from one negotiation. In some situations the parties negotiate contracts without the Service being informed. Other negotiations that do come to the attention of the regional offices are screened because of lack of jurisdiction and are not assigned.

Figure 7. Basis for closing FMCS joint meeting cases in fiscal year 1974

Basis for closing joint meeting cases	Number of cases	Percent of total
Total	8,479	100.0
Agreement between parties	7,944	93.7
Withdrawn by the parties or negotiations suspended for other reasons	456	5.4
Referred to other government agencies	79	0.9

Concern was expressed in earlier chapters that the uncertainties of the control period had led to the negotiation of more short-term contracts, dropping the proportion of three-year terms below half. During FY 1974 the three-year pro-

portion rose above 50 percent again. As Figure 8 suggests, the heavy preponderance of manufacturing, utility and retail-wholesale-service agreements—all with three-year traditions—was responsible for the shift.

Figure 8. Number and percent of closed FMCS joint meeting cases for which duration of collective bargaining agreement was reported by industry by sector for fiscal year 1974

bargaining ag	reemen	t was top								
	Total					Length o	f contract			
	number of ap-		1	year	2 y	rears	3 y	rears	Oth	ner*
Industry by sector	plicable closed joint meeting cases	Percent of total applicable cases	Number of cases	Percent of industry total	Number of cases	Percent of industry total	Number of cases	Percent of industry total	Number of cases	Percent of industry total
Total	7,767**	100.0	1,147	14.8	1,857	23.9	3,907	50.3	856	11.0
Private sector	7,569	97.4	1,089	14.4	1,767	23.3	3,877	51.2	836	11.0
Manufacturing	1.750	61.3	537	11.3	1,160	24.4	2,599	54.5	462	9.7
Construction		6.5	192	37.7	136	26.8	110	21.7	70	13.8
Public utilities, transportation, communications		7.8	111	18.2	148	24.3	254	41.7	96	15.8
Retail, wholesale, service industries	1,637	21.1	243	14.8	310	18.9	887	54.2	197	12.0 19.3
Mining, agriculture, finance .	1	0.7	6	10.5	13	22.8	27	47.4	11	
Public sector	100	2.5	58	29.3	90	45.4	30	15.1	20	10.1
Federal government		1.3	12	11.6	57	55.3	26	<u>25.2</u>	8	7.8
Nondefense	4.5	0.6	5	11.1	28	62.2	6	13.3	6	13.3
Defense		0.7	7	12.1	29	50.0	20	34.5	2	3.4
State government	1	0.2	6	42.9	1	7.1	_	_	7	50.0
Local government		1.0	40	49.4	32	39.5	4	4.9	5	6.2

^{*} Total of 856 agreements comprised of contracts less than 12 months in duration and those whose length fall between 1 and 2 years, between 2 and 3 years, and greater than 3 years. See Figure 11.

^{**}No information on contract duration was provided for the balance of 712 closed joint meeting cases. Of this total 648 were private sector cases and 64 were public sector cases

A further analysis of contract duration, as between initial contracts and renewals, is contained in Figure 9.

Figure 9. Number and percent of applicable closed FMCS joint meeting cases involving negotiations of initial, renewal and other contracts by length of contract for fiscal year 1974

	Total number of			Т	ype of contrac	t negotiation	n	
	applicable closed	Percent of	Initial	contracts	Renewal	contracts	Oth	er*
Length of contract	joint meeting cases	total applicable cases	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	7,767**	100.0	653	8.4	6,581	84.7	533	6.9
1 year	1,147	14.8	123	1.6	791	10.2	233	3.0
2 years	1,857	23.9	132	1.7	1,616	20.8	109	1.4
3 years	3,907	50.3	271	3.5	3,542	45.6	94	1.2
Other duration	856	11.0	127	1.6	632	8.1	97	1.2
Less than 1 year	97	1.2	17	0.2	56	0.7	24	0.3
Between 1 and 2 years	228	2.9	50	0.6	135	1.7	43	0.5
Between 2 and 3 years	329	4.2	48	0.6	265	3.4	16	0.2
Greater than 3 years	202	2.6	12	0.2	176	2.3	14	0.2

^{*} Total of 533 comprised of contract reopener cases and exceptional grievances

^{**} No information on contract duration was provided for the balance of 712 closed joint meeting cases

 ${f T}$ he distribution of joint meeting cases by state and by FMCS region is shown in

Figure 10.

The majority of cases included in these tabulations originated from 30-day notices of contract expiration or reopening which the Labor Management Relations Act requires unions to file with the appropriate FMCS regional office. Others came from an informal arrangement through which the National Labor Relations Board reports new bargaining unit certifications. Still others arose from direct requests by union and/or management.

Figure 10. Number and percent of closed FMCS dispute mediation cases by region and state for fiscal years 1972-1974.

years 197	72-1974	•										
			Joint mee	ting cases			Non-joint meeting cases					
	1974 1973			1972		1974		19	73	1972		
Region and state	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	8,479	100.0	7,238	100.0	<u>7</u> .215	100.0	10,330	100.0	9,692	100.0	8,779	100.0
Region 1 Connecticut Maine Massachusetts New Hampshire New Jersey* New York Rhode Island Vermont	1,209 88 43 236 38 239 520 33	14.3 1.0 0.5 2.8 0.4 2.8 6.1 0.4 0.1	1,125 99 35 242 29 207 453 41 19	15.5 1.4 0.5 3.3 0.4 2.9 6.3 0.6 0.3	972 75 29 201 20 183 418 34 12	13.5 1.0 0.4 2.8 0.3 2.5 5.8 0.5 0.2	1,576 132 45 306 37 307 675 60 14	15.3 1.3 0.4 3.0 0.4 3.0 6.5 0.6	1,731 137 35 336 42 335 743 84 19	17.9 1.4 0.4 3.5 0.4 3.5 7.7 0.9 0.2	1,443 121 40 289 20 295 615 52 11	16.4 1.4 0.5 3.3 0.2 3.4 7.0 0.6 0.1

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.

Figure 10. Number and percent of closed FMCS dispute mediation cases by region and state for fiscal years 1972-1974.

f es f	Percent of total 100.0 12.7 0.3 0.6 1.2 1.5 0.1 7.4 0.9 0.6 9.2 1.6 †	Number of cases 7,238 860 26 48 96 92 8 478 57 55 692 110		7.215 7.215 977 26 49 105 101 12 562 67 55	Percent of total 100.0 13.5 0.4 0.7 1.5 1.4 0.2 7.8 0.9 0.8 10.0	19 Number of cases 10,330 1,258 31 57 164 128 6 672 147 53		19 Number of cases 9,692 1,100 21 53 160 96 6 583 101 80		Number of cases 8,779 1,100 27 42 123 86 10 597 154 61	Percent of total 100.0 12.5 0.3 0.5 1.4 1.0 0.1 6.8 1.7 0.7
f es 1 79 77 27 52 66 30 9 27 75 51 34 1	of total 100.0 12.7 0.3 0.6 1.2 1.5 0.1 7.4 0.9 0.6 9.2 1.6	of cases 7,238 860 26 48 96 92 8 478 57 55	of total 100.0 11.9 0.4 0.7 1.3 1.3 0.1 6.6 0.8 0.8	of cases 7.215 977 26 49 105 101 12 562 67 55	of total 100.0 13.5 0.4 0.7 1.5 1.4 0.2 7.8 0.9 0.8	of cases 10,330 1,258 31 57 164 128 6 672 147 53	of total 100.0 12.2 0.3 0.5 1.6 1.2 0.1 6.5 1.4	9,692 1,100 21 53 160 96 6 583 101	of total 100.0 11.3 0.2 0.5 1.6 1.0 0.1 6.0 1.0	of cases 8,779 1,100 27 42 123 86 10 597 154	of total 100.0 12.5 0.3 0.5 1.4 1.0 0.1 6.8 1.7
777 27 52 06 30 9 27 75 51 34 1	12.7 0.3 0.6 1.2 1.5 0.1 7.4 0.9 0.6 9.2 1.6	860 26 48 96 92 8 478 57 55	11.9 0.4 0.7 1.3 1.3 0.1 6.6 0.8 0.8	977 26 49 105 101 12 562 67 55	13.5 0.4 0.7 1.5 1.4 0.2 7.8 0.9 0.8	1,258 31 57 164 128 6 672 147 53	12.2 0.3 0.5 1.6 1.2 0.1 6.5 1.4	1,100 21 53 160 96 6 583 101	11.3 0.2 0.5 1.6 1.0 0.1 6.0 1.0	1.100 27 42 123 86 10 597 154	12.5 0.3 0.5 1.4 1.0 0.1 6.8 1.7
27 52 06 30 9 27 75 51 34 1	0.3 0.6 1.2 1.5 0.1 7.4 0.9 0.6 9.2	26 48 96 92 8 478 57 55	0.4 0.7 1.3 1.3 0.1 6.6 0.8	26 49 105 101 12 562 67 55	0.4 0.7 1.5 1.4 0.2 7.8 0.9 0.8	31 57 164 128 6 672 147 53	0.3 0.5 1.6 1.2 0.1 6.5	21 53 160 96 6 583	0.2 0.5 1.6 1.0 0.1 6.0 1.0	27 42 123 86 10 597 154	0.3 0.5 1.4 1.0 0.1 6.8 1.7
52 06 30 9 27 75 51 34 1	0.6 1.2 1.5 0.1 7.4 0.9 0.6 9.2	48 96 92 8 478 57 55	0.7 1.3 1.3 0.1 6.6 0.8 0.8	49 105 101 12 562 67 55	0.7 1.5 1.4 0.2 7.8 0.9 0.8	31 57 164 128 6 672 147 53	0.3 0.5 1.6 1.2 0.1 6.5	21 53 160 96 6 583	0.2 0.5 1.6 1.0 0.1 6.0 1.0	27 42 123 86 10 597 154	0.3 0.5 1.4 1.0 0.1 6.8 1.7
52 06 30 9 27 75 51 34 1	0.6 1.2 1.5 0.1 7.4 0.9 0.6 9.2	48 96 92 8 478 57 55	0.7 1.3 1.3 0.1 6.6 0.8 0.8	49 105 101 12 562 67 55	0.7 1.5 1.4 0.2 7.8 0.9 0.8	57 164 128 6 672 147 53	0.5 1.6 1.2 0.1 6.5 1.4	53 160 96 6 583 101	0.5 1.6 1.0 0.1 6.0 1.0	42 123 86 10 597 154	0.5 1.4 1.0 0.1 6.8 1.7
06 30 9 27 75 51 34 1	1.2 1.5 0.1 7.4 0.9 0.6 9.2	96 92 8 478 57 55	1.3 1.3 0.1 6.6 0.8 0.8	105 101 12 562 67 55	1.5 1.4 0.2 7.8 0.9 0.8	164 128 6 672 147 53	1.6 1.2 0.1 6.5 1.4	160 96 6 583 101	1.6 1.0 0.1 6.0 1.0	123 86 10 597 154	1.4 1.0 0.1 6.8 1.7
30 9 27 75 51 34 1	1.5 0.1 7.4 0.9 0.6 9.2	92 8 478 57 55	1.3 0.1 6.6 0.8 0.8	101 12 562 67 55	1.4 0.2 7.8 0.9 0.8	128 6 672 147 53	1.2 0.1 6.5 1.4	96 6 583 101	1.0 0.1 6.0 1.0	86 10 597 154	1.0 0.1 6.8 1.7
9 27 75 51 34 1	0.1 7.4 0.9 0.6 9.2 1.6	8 478 57 55	0.1 6.6 0.8 0.8	12 562 67 55	0.2 7.8 0.9 0.8	6 672 147 53	0.1 6.5 1.4	6 583 101	0.1 6.0 1.0	10 597 154	0.1 6.8 1.7
27 75 51 34 1	7.4 0.9 0.6 9.2	478 57 55	6.6 0.8 0.8	562 67 55	7.8 0.9 0.8	672 147 53	6.5 1.4	583 101	6.0 1.0	597 154	6.8 1.7
75 51 <u>34</u> 34	0.9 0.6 9.2	57 55 692	0.8	67 5 5	0.9 0.8	147 53	1.4	101	1.0	154	1.7
51 34 1	9.2 1.6	55 692	0.8	55	0.8	53				1	
34 34	9.2	692					0.5	80	8.0	61	0.7
34	1.6		9.6	724	10.0	1 200				1	
1		110			10.0	1.209	11.7	988	10.2	913	10.4
-	.1.		1.5	114	1.6	132	1.3	105	1.1	142	1.6
32	T	2	+	1 1	+	1	†	—		3	1.0
16	1.6	115	1.6	113	1.6	220	2.1	186	1.9	141	1.6
94	1.1	109	1.5	110	1.5	257	2.5	160	1.6	1	
17	0.2	14	0.2	12	0.2	20	0.2	21	0.2	190	2.2
72	0.8	74	1.0	79	1.1	131	1.3	144		14	0.2
19	0.6	32	0.4	45	0.6	51	0.5		1.5	106	1.2
54	0.7	50	0.7	49	0.7	109		54	0.6	47	0.5
1	+	_	-	43	<u> </u>	109	1.1	81	0.8	73	0.8
21	0.2	13	0.2	22		1	_	1	†		_
											0.5
_											1.7
		10				1		5	+	3	ŧ
		_		'	Ť	_	_	_	_	_	_
17	13.5	036	12.0	1.057	14.0	4.040					
_				_	14.6	1,648	15.9	1,468	15.1	1,462	16.6
	_			7	0.1	10	0.1	15	0.1	6	+
			1.6	144	2.0	150	1.4				1.7
			4.2	336	4.7	569	5.5				5.6
35	7.5	510	7.0	570	7.9						9.3
	47 10 40 62 35	38 2.2 11 0.1 	38 2.2 163 11 0.1 10 47 13.5 936 10 0.1 7 40 1.6 116 62 4.3 303	38 2.2 163 2.2 11 0.1 10 0.1 47 13.5 936 12.9 10 0.1 7 0.1 40 1.6 116 1.6 62 4.3 303 4.2	38 2.2 163 2.2 176 11 0.1 10 0.1 2 - - - 1 47 13.5 936 12.9 1,057 10 0.1 7 0.1 7 40 1.6 116 1.6 144 62 4.3 303 4.2 336	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	38 2.2 163 2.2 176 2.4 243 11 0.1 10 0.1 2 † 2 47 13.5 936 12.9 1,057 14.6 1,648 10 0.1 7 0.1 7 0.1 10 40 1.6 116 1.6 144 2.0 150 62 4.3 303 4.2 336 4.7 569	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	38 2.2 163 2.2 176 2.4 243 2.3 194 11 0.1 10 0.1 2 + 2 + 5 47 13.5 936 12.9 1.057 14.6 1.648 15.9 1.468 10 0.1 7 0.1 7 0.1 10 0.1 15 40 1.6 116 1.6 144 2.0 150 1.4 164 32 4.3 303 4.2 336 4.7 569 5.5 436	38 2.2 163 2.2 176 2.4 243 2.3 194 2.0 11 0.1 10 0.1 2 † 2 † 5 † 47 13.5 936 12.9 1,057 14.6 1,648 15.9 1,468 15.1 10 0.1 7 0.1 7 0.1 10 0.1 15 0.1 40 1.6 116 1.6 144 2.0 150 1.4 164 1.7 32 4.3 303 4.2 336 4.7 569 5.5 436 4.5	38 2.2 163 2.2 176 2.4 243 2.3 194 2.0 152 11 0.1 10 0.1 2 + 2 + 5 + 3 47 13.5 936 12.9 1,057 14.6 1,648 15.9 1,468 15.1 1,462 10 0.1 7 0.1 7 0.1 10 0.1 15 0.1 6 40 1.6 1.6 1.4 2.0 150 1.4 164 1.7 149 305 4.3 303 4.2 336 4.7 569 5.5 436 4.5 492

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.

Figure 10. Number and percent of closed FMCS dispute mediation cases by region and state for fiscal years 1972-1974.

years 197	72-1974											
			Joint meet	ting cases				Nc	n-joint me	eting case		
	19	74	19	73	19	72	19	74	19	73	19	72
Region and state	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	8,479	100.0	7,238	100.0	17.215	100.0	10,330	100.0	9,692	100.0	8,779	100.0
Region 5	1,613	19.0	1,357	18.7	1,291	17.9	1,748	16.9	1,683	17.4	1,345 586	15.3 6.7
Illinois*Indiana*	618 274	7.3 3.2	525 258 11	7.2 3.6 0.1	540 263 14	7.5 3.6 0.2	772 326 12	7.5 3.2 0.1	693 318 19	7.1 3.3 0.2	285 15	3.2 0.2
Michigan* Minnesota North Dakota	17 398 31	0.2 4.7 0.4	271 26	3.7 0.4	207 29	2.9 0.4 0.1	165 23 10	1.6 0.2 0.1	186 10 16	1.9 0.1 0.2	110 15 8	1.2 0.2 0.1
South Dakota	. 12 263	0.1 3.1	12 254	0.2 3.5	227	3.1	440	4.3	441	4.5	326	3.7 13.3
Region 6	1	16.0	1,165	16.1	1.106	$-\frac{15.3}{0.9}$	1,337	12.9	1,332	13.7 0.8	1,170 95	1.1
Arkansas*	. 72	0.8 2.8	55 178	0.8 2.5	46 202 92	0.6 2.8 1.3	92 183 138	0.9 1.8 1.3	54 198 116	0.6 2.0 1.2	52 186 90	0.6 2.1 1.0
Kansas	119	1.4 5.3 0.8	108 349 45	1.5 4.8 0.6	336 69	4.7 1.0	369 78	3.6 0.8 1.0	385 87 102	4.0 0.9 1.0	312 73 79	3.5 0.8 0.9
Oklahoma	64	0.7 3.1	51 308	0.7 4.3	245	0.7 3.4	108 304	2.9	309	3.2	283	3.2
Region 7		<u>15.2</u> 0.1	1,103	15.2	1.088	<u>15.1</u> 0.1	1,554 15	15.0	1,390	0.1	1,346	15.3 † 0.7
Alaska Arizona California	58 639	0.7 7.5 1.0	39 560 68	0.5 7.7 0.9	49 569 67	0.7 7.9 0.9	71 831 120	0.7 8.0 1.2	711 136	0.5 7.3 1.4	683 100	7.8 1.1 0.2
Colorado	36	0.4 0.5 0.6	26 25 42	0.4 0.3 0.6	20 22 24	0.3 0.3 0.3	33 25 19	0.3 0.2 0.2	33 21 42	0.3 0.2 0.4	18 33 31	0.4 0.3
Montana Nevada New Mexico	. 22	0.3	32 13 85	0.4 0.2 1.2	15 24 92	0.2 0.3 1.3	50 27 135	0.5 0.3 1.3	17 26 118	0.2 0.3 1.2	20 27 122	0.2 0.3 1.4
Oregon	. 12	1.1 0.1 0.1 2.4	13 20 161	0.2 0.3 2.2	9 22 162	0.1 0.3 2.2		0.5 1.5	9 55 152	0.6	12 35 192 9	0.1 0.4 2.2 0.1
Washington		† 	4	0.1	7	0.1	15	0.1	11	0.1	9	0.1

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.



Mediators assist men's clothing manufacturers and the Amalgamated Clothing Workers to reach a strike-ending contract agreement.

In contract negotiations involving federal workers, 30-day notifications are required by FMCS regulations. New certifications are reported to FMCS by the Labor-Management Services Administration of the Department of Labor. The record is summarized in Figure 11.

Figure 11. Notifications processed by the Service covering all types of mediation activity for fiscal year 1974

Receipt of notifications		Disposition of notifications		400
Notifications received during the year 30-day notices required by LMRA	126,539	Cases closed by mediators Joint meeting cases* Non-joint meeting cases** Technical assistance cases† Information and education cases	8,479 10,330 642 709	20,160
Requests from union and/or company		Cases closed administratively after inquiry by mediators Screened for lack of jurisdiction	707 3,320 928	4,955
		Screened for lack of jurisdiction		19,708
Cases pending at close of previous year	5,599	Consolidated with other notifications		80,252
Total notifications processed	132,138	Cases pending at end of year	6,910 117 36	7,063

^{*} Cases in which joint and separate mediation conferences were held.

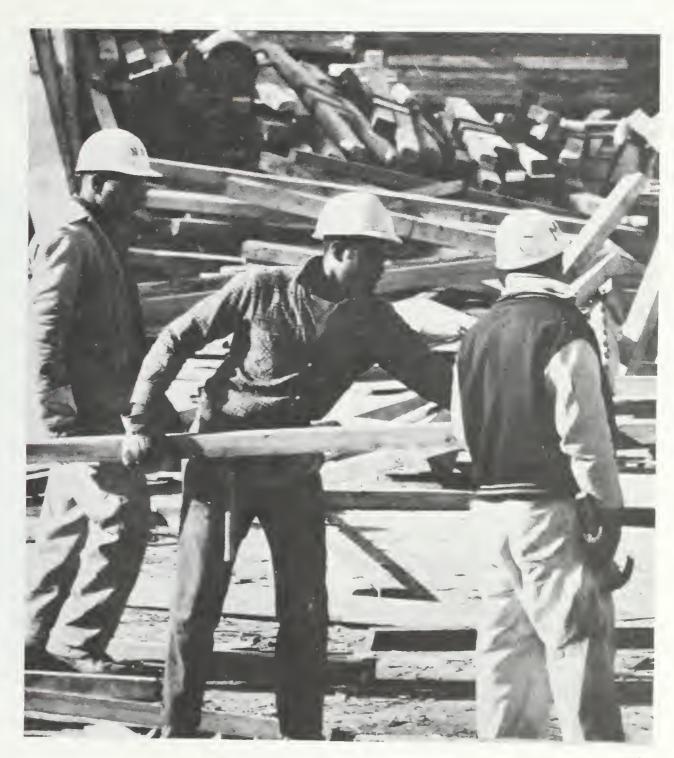
^{**} Cases followed closely by mediators from assignment until final closing, requiring only informal mediation with no joint conferences.

[†] Cases comprise training, education, consultation and problem-solving activities performed by mediators for representatives of labor and management, other neutrals in dispute resolution, professional associations and academic institutions.

^{††} Cases include activities such as informational addresses to public and professional groups and associations; interviews with newspapers, magazines, radio and television media; film showings and appearance and participation in conventions, seminars and similar occasions.

This report covers only FMCS case closings. It does not represent the total number of contracts negotiated during the year. Railroads and airlines are excluded, being governed by a different statute. Often several contracts result from a single case. Some contracts, especially small ones, are negotiated without knowledge of FMCS; others are screened out because they do not meet the standard of "affecting commerce". Some are referred to other agencies, such as state mediation services.

But there is still more than enough for FMCS mediators to do. As of June 30, the end of FY 1974, there were 7,063 cases pending, or an average of 28.7 cases for each of the 246 mediators then on duty.





Scarcity and high prices of diesel fuel brought owner-operator trucks to a standstill on public highways. The unprecedented job action by truckers led to diminished supplies of food and other fast-moving products in retail stores, along with occasional acts of violence. The Service played an active role in coordinating efforts by state and federal agencies to guarantee fuel supplies and adjust shipping rates to bring the strike to an end. Shown here are parked vehicles blockading an interstate highway in Ohio and police advancing on another blockade.



Chapter V

Technical Services

The Office of Technical Services (OTS) was created as part of the sweeping administrative reorganization of FMCS described in Chapter I. Its responsibilities include dispute prevention, staff training, the provision of statistical and other labor-management relations information to the mediators, and through them to the parties.

The OTS, assisted by a coordinator in each FMCS region, seeks to draw together and expand programs that help to develop collective bargaining into an instrument of continuing understanding between management and labor, rather than a periodic confrontation between antagonists.

This is not to say that any administrative device, public or private, can or should prevent the clash of conflicting interests across the bargaining table. But parties who genuinely understand each other's position, and the basis for it, have a far better chance of finding an accommodation than those who can see no further than their own.

Current circumstances reinforce that proposition. The relatively simple issues of wages, fringes, working conditions and job security are enveloped in such national problems as inflation, imports and equal employment opportunity. The changing nature of the labor force, worker discontent, technological disruptions all play a part. All this is hard enough on experienced bargainers; new ones, who predominate in the public sector, are often at sea.

Technical assistance is intended to aid both experienced bargainers and those new to labor-management negotiations in identifying methods of effectively grappling with their problems. Through a varied program, the Office of Technical Services provides the specialized assistance needed to formulate tailored responses to the particular requirements of individual labor-management relationships. Ranging from techniques of early negotiations, through labor-management committees to special educational programs for front line supervision and union representation, technical assistance takes its direction from the expressed needs of the parties, the recommendations of the local mediator and the advice of specialists at both the regional and national level.

To insure that mediators are fully qualified to provide both dispute mediation and technical assistance, the OTS is responsible for the function of professional development. Ranging from the initial training of new mediators through the maintenance of professional mediation among the entire mediation staff,

OTS conducts national seminars as well as specialized conferences and workshops and assists in the development of regional programs. OTS extends its training efforts to neutrals outside the Service itself by providing assistance to local and state agencies. Assistance is extended to professional practitioners as well through conferences for negotiators, administrators and arbitrators conducted by colleges, universities and professional groups.

Research and information programs have become an integral part of the OTS operation, supplementing both short-range and long-range objectives.

To gauge the impact of the energy crisis of the winter of 1973-74 on negotiations in a multitude of industries and geographic areas, the OTS developed an energy crisis questionnaire. The survey brought the FMCS weekly reports on energy related issues being raised at the bargaining table, layoffs, work-schedule changes and other reactions to fuel shortage situations.

The research and information operation has produced several custom-made programs to aid in key collective bargaining situations. A mock negotiation kit has been designed and distributed for public-sector bargaining. It includes background facts and bargaining guidelines for role-playing in the negotiation of an initial contract for a small city and its employees. The package has gained wide acceptance and has been utilized by a variety of organizations, including the

Massachusetts Board of Conciliation and the Federal Bar Association in Washington, D.C.

A mock arbitration kit has been designed to assist mediators involved in foreman-steward training programs. Background fact sheets giving different views of a grievance provide background material for as many as seven participants in the role-playing program. The kit was field tested in some two dozen training programs, with excellent results.

As one of the functions of its information center, the OTS has instituted a biweekly internal memorandum, Recent Labor-Management Developments, which capsulizes current settlements, court rulings, administrative decisions and other activities.

A nother fundamental is what used to be called preventive mediation, a title that is no longer adequate. This is a concept of mediation assistance that encompasses the full range of relationships between the parties to an agreement. Programs of this kind must be tailored to each specific relationship. They defy general description, for there is no list of components that is sure to be common to any two of them. Their purpose is to identify and remedy the specific problem or problems complicating a bargaining relationship.

To facilitate a full-scope national program of technical assistance, National Director W. J. Usery, Jr., created and filled in each of the agency's seven re-

gions the position of Regional Coordinator for Technical Services and Public Sector Mediation. These seven mediators report to and through the assistant regional directors and maintain a close coordination with both the OTS and the Office of Mediation Services.

There are some elements in the collective bargaining and mediation processes that do not vary, and in order to present them as effectively as possible, OTS has produced four motion pictures.

Call the Mediator depicts contemporary negotiations problems, and has enjoyed outstanding reception from labor, management and academic audiences. A Better Way documents the views of leading management and labor spokesmen on industrial relations practices and how they affect productivity. Barney and Clyde hits hard on employee and management attitudes. A film on collective bargaining in the public sector has been made with the help of KTVK-TV, Phoenix. Two of these films feature recorded music by Johnny Cash (Columbia) and Charlie Pride (RCA), the use of which was donated to FMCS as a public service.

A total of 622 technical assistance activities were initiated by federal mediators with labor and management in FY 74 as compared with 515 in FY 73. Following are some examples of cases:

Dorsey Trailers

An inordinate surge in the number of requests to the FMCS for arbitration panels led mediators to discover a breakdown in grievance procedures between Dorsey Trailers, Inc., Elba, Ala., and Machinists Lodge 1769, which represents nearly 1,000 employees. Management and union leaders expressed an urgent concern for the escalation of grievances, and called upon a mediator to produce a plan that would solve the immediate problem of a backlog of some 80 grievances, as well as treating the cause of the flaws in the grievance system.

After several conferences, the parties agreed to the mediator's suggestion that a three-person panel be established to hear the facts and render bench decisions on the vast majority of the grievances in three days of concentrated action.

This set the stage for the second phase of the mediator's remedial program, a complete steward-foreman training program aimed at identifying points of friction, improving relations in the plant and resolving problems as they developed.

State of Georgia

Officials of Georgia, like many other states lacking full collective bargaining statutes for public employees, found themselves confronted with a set of unique problems flowing from the rapid changes taking place in public-sector labor-management relations. The state wanted to implement a procedure for review and appeal under its merit system, which is used to evaluate thousands of employees working for the state's numerous departments and agencies. An inquiry to the FMCS prompted mediators to design a special crash training program for members of the Georgia

State Merit Board and others responsible for processing grievances to a final and binding determination.

Albuquerque Schools

The Albuquerque, N.M., Public Schools and the unions representing its 4,000 employees — the Albuquerque Classroom Teachers Association and the Communications Workers of America—had twice used the services of a mediator in renegotiating contracts. While the parties felt that the relationship between their top leadership was good, a strand of divisiveness was developing at the supervisor-teacher level.

The mediator drafted a program for supervisors to improve attitudes, broaden the understanding of contract language and to explain management responsibilities in grievance handling. School officials administered the yearlong program, consulting frequently with the mediator. They reported that the effort brought a greater appreciation of basic employee-supervisor relations under a collective bargaining setting.

Baltimore Teachers

Nearly 7,000 teachers in the school system of the city of Baltimore went on strike on February 4, 1974 in one of the longest and more determined teacher work stoppages yet experienced.

The strike ended more than a month later, on March 6, after both the city and the Public School Teachers Association accepted a 17-point set of settlement recommendations made by the national director of the Service and the FMCS director of mediation services.

The recommendations climaxed four straight days of intensive, marathon negotiations over issues involving wages, fringe benefits, school supplies and supervisor-teacher relations.

The city initially balked at proffers of assistance from the Service, but such assistance was later welcomed by Mayor William Schaefer and his aides.

The negotiations were complicated by the city's position that it was unable to raise additional revenues or levy additional taxes to meet some of the teacher demands. An additional complication was that the PSTA, affiliated with the National Education Association, had taken over bargaining rights from the Baltimore Teachers Union, affiliated with the American Federation of Teachers (AFL-CIO).

Part of the settlement recommended by the Service provided that representatives of the teachers' organization would hold regular monthly meetings with the School Superintendent's office in an effort to establish better relations and to settle current problems as they developed.

General Foods

Two unions, Food and Allied Workers Local 56 and Teamsters Local 876, representing some 1,300 employees, and management at the General Foods Corp. in Dover, Del., inquired about the FMCS efforts to promote communications and problem-solving at the steward-foreman level. A team of mediators fashioned a series of six programs for joint steward-

foreman training in grievance handling, problem-solving and attitude development.

An out-of-plant location was selected to accommodate three groups on each of the six days that the course required. Follow-up contacts revealed significantly improved labor-management relationships and a continuation of the joint effort to strengthen the foundation of mutual understanding and respect.

Union Oil Co. of California

A 78 percent drop in grievances is credited to an FMCS training project involving supervisors of the Beaumont (Tex.) refinery of the Union Oil Co. of California.

Following a preliminary program for upper-level management that had failed, a new general manager of the plant invited FMCS to work with first-line supervisors in an effort to improve relations with employees.

Mediators designed and conducted a four-phase training session that stressed employee relations, supervisor-steward relations, grievance handling and arbitration. The results: first-line supervisors are resolving many grievances as they arise; management and the union are considering the utilization of a similar course for union stewards.

American Standard, Inc.

American Standard, Inc. of Louisville, Ky., and seven craft unions representing various groups of skilled employees asked the FMCS to assist them in devising a program that would eliminate historical problems involving differing contract expiration dates and splintered bargaining efforts.

Recognizing the diverse interests of each union, the mediator, following many conferences, proposed that all unions bargain simultaneously with the employer, yet retain an alternative means of bargaining on a stipulated issue if one union were to be adversely affected. This concept was incorporated in a common understanding accepted by all parties. The preliminary agreement set the stage for a joint union committee to bargain as a unit. The implementation of the proposal is expected to decrease the likelihood of strikes in future negotiations.

Union Carbide

A deterioration of relations between the Union Carbide Corp. of Charleston, W. Va., and Machinists Lodge 598, which represents 2,000 employees at the plant, brought a joint request to the FMCS to develop a steward-foreman training program to elevate skills and cooperation in problem-solving. A series of six sessions was designed to bring stewards and foremen together. Through role-playing techniques, lines of communications were opened. Both Union Carbide, a large plastics and chemical manufacturing company, and the union proposed that similar programs be conducted at other corporate plants.



Chapter VI

Arbitration

Early in FY 1974 the FMCS national director established the Office of Arbitration Services as a separate division within the agency and named a career person as its head. This opened the way to much more effective application of improvements already in progress, and to the development of new programs to reinforce arbitration's role as the primary peacekeeping instrument during a contract term.

These were the highlights of the new division's first year:

- A sharp reduction in the time taken to respond to a request for an arbitration panel.
- A new request form enabling the parties to indicate their special needs on first writing.
- A random selection capability for panels, providing more equitable utilization of arbitrators by the selecting parties.
- Regional seminars to update arbitrators on current developments.
- Stricter criteria for new arbitrators seeking to be added to the FMCS roster.
- Better communications on a regular basis with arbitrators on the roster.
- Provisions for specialized expedited arbitration service on request.
- In cooperation with the Office of Technical Services, additional training facilities for arbitrators and others involved in dispute resolution, including management and union negotiators and government officials.
- The selection of an Arbitration Services Advisory Committee.

Many of these highlights are more fully described in the ensuing sections.

Arbitration Panels

Further development of the computerized Arbitration Information Tracking System and its refinement by a number

of manual procedural modifications brought about a dramatic reduction in the time it takes FMCS to meet a request for a panel of arbitrators.

For the previous two years the average interval was 15 days. In FY 1974 it was slightly over 10 days, nearly one-third less. Further cuts are expected as procedures are perfected.

The new "request for arbitration" form promises to make a substantial contribution to speedy action. If the form is completely filled out by the parties—and it is by no means long or complicated—an appropriate panel can be chosen without the need for further inquiry. The form has the further advantage of indicating whether arbitrators with particular experience or expertise are needed.

Arbitrator Symposiums

The continuing development of a body of "shop law" is essential to the private system of justice that governs labor-management relations where arbitration provisions are applicable. It is important for arbitrators to keep up to date on significant decisions of their colleagues, and to exchange ideas and experiences in the hope that their decisions will lead the parties to improved day-to-day relationships.

To these ends the OAS devised a number of symposiums in cooperation with the University of Alabama, University of Tennessee and Vanderbilt University; on the future list are undertakings with the University of Texas, Houston University and the University of South

Carolina. Two different formats are being used for these gatherings.

In one, a relatively small group of arbitrators join with OAS officials for an exchange of ideas, with an agenda but without formal presentations. The other, suitable for larger groups, offers a structured program with speakers, panelists and question-and-answer periods.

Arbitration Services Advisory Committee

One of the responsibilities the FMCS national director assigned to the OAS upon its creation was the establishment of a top-level committee to advise the new division on all matters within its area of concern. The committee was to comprise seasoned representatives of labor, management, the academic community and the arbitration fraternity, experienced in collective bargaining in general and arbitration in particular. Committee members were to include persons who had been involved in dispute resolution in the public sector, as well as the private sector. And the members were to be geographically representative.

In accordance with the pertinent statute, an announcement was placed in the Federal Register. Nominations were solicited from all regions of the FMCS. Associations and individuals quickly responded; in a short time a long list of impressive candidates was compiled. An agency group, headed by the FMCS national director, carefully reviewed the list and eventually selected 12 persons as the first Arbitration Services Advis-

ory Committee. The committee began its work as the new fiscal year opened.

Members of the advisory committee are: representing labor, Thomas S. Adair of Atlanta, an attorney for several labor organizations; Ben Fischer of Hoboken, N.J., director of the contract division of the United Steelworkers of America; Joseph W. Morgan of Dallas, international vice president representing the Southern Conference of Teamsters; and Raymond E. Shetterly of Detroit, director of the arbitration services department of the United Auto Workers union.

The management members include: Christopher A. Barreca of Weston, Conn., corporate legal counsel for the General Electric Company specializing in labor arbitration and litigation; Algie A. Hendrix of New York, vice president of industrial relations for General Dynamics Corp.; William F. Lubersky of Portland, Ore., labor attorney for various businesses and management associations in the Northwest; Lee C. Shaw of Chicago, attorney for management associations and an instructor of labor law at the University of Chicago.

The four arbitrators, all members of the National Academy of Arbitrators and the American Arbitration Association, include: Benjamin Aaron of Santa Monica, Calif., William E. Rentfro of Boulder, Colo., Eva Robins of New York and Ralph T. Seward of Washington, D.C.

Varied arbitration procedures

During the year the OAS developed a variety of specialized arbitration proce-

dures in conjunction with the interested parties. The largest of these involved the U.S. Postal Service and the four unions that coordinate their bargaining with it. The principals assigned to OAS the administrative responsibility for grievance arbitration in 18 metropolitan areas across the country.

Working in accordance with a mutually agreed-upon procedure, the parties preselected a roster of arbitrators for each area. Members of the roster were then assigned disputes in their area on a strict rotating basis. The arbitrators had agreed in advance to conditions covering time limitations, fees, hearing procedures and arbitrable issues.

The OAS also assisted other parties in setting up a permanent rotating roster in the construction industry, panels to handle disputes on the Alaska pipeline, and a large number of permanent umpireships at the joint request of employers and unions who had decided to try this method of adjudicating grievances.

There are occasions when the OAS is called upon to participate in the planning and development of procedures other than conventional arbitration. It has been an adviser to private industries and to other government jurisdictions. It has been asked to be the selector of panels, an administrator of procedures, a recommender of persons.

Arbitration services is a resource to be tapped for the routine and the unusual, the expected and the unanticipated. Regardless of the task, OAS must be prepared to fulfill it.

Figure 12. Total award cases by State—Fiscal Year 1974

State	No.	State	No.
Alabama	137	Hawaii	0
Alaska	1	Nebraska	11
Arizona	24	Nevada	20
Arkansas	102	New Hampshire	4
California	379	New Jersey	99
Colorado	30	New Mexico	21
Connecticut	17	New York	152
Delaware	8	North Carolina	49
Dist. of Columbia	61	North Dakota	2
Florida	84	Ohio	484
Georgia	140	Oklahoma	96
Idaho	9	Oregon	22
Illinois	274	Pennsylvania	250
Indiana	235	Rhode Island	9
lowa	70	South Carolina	39
Kansas	28	South Dakota	2
Kentucky	147	Tennessee	222
Louisiana	87	Texas	308
Maine	2	Utah	2
Maryland	64	Vermont	3
Massachusetts	33	Virginia	71
Michigan	159	Washington	50
Minnesota	49	West Virginia	76
Mississippi	42	Wisconsin	109
Missouri	191	Wyoming	4
Montana	12		4,490

Figure 13. Arbitration unit workload—Fiscal Years 1965-1974

1.3										
Activity	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Request for panels or			0.055	7.000	0.470	10,055	10 307	13,005	13.626	15,445
direct appointments	5,048	5,654	,	, -	,	*		,	,	16.952
Panels submitted	5,453	6,255	7,623	8,630	9,679	11,124	13,235	13,842	15,121	,
Appointments	3.333	3.430	3,953	4,175	4,493	5,318	5,759	6,263	6,665	7,612
• •	1.887	2,441	1.967	2.309	2,640	2.849	2.840	3,438	3,954	4,349
Awards	1,001	2,441	1,501	2,500	_,5 10	_,0 .0	_,	,	·	

Figure 14. Sample results of duration and cost data in arbitration— Fiscal Years 1972, 1973 and 1974

Days Charged	Per Case Averages				Days Charged	Per Case Averages			
	1972	197	3 197			1972	1973	1974	
Hearing time	.91	.9	2 .9	93	Time between grievance				
Travel time	.36 1.69	.3 1.7	_	34 73	filed and request for panels (days)	75.1	84.7	78.6	
Study time Total time	2.96	2.9			Time between request date and list sent (days)	15.1	15.7	10.1	
Days Charged		Por (Case Aver	2000	Time between date list sent and appointment (days)	43.8	45.7	44.0	
	19	972	1973	1974	Time between appointment and hearing (days)	61.1	62.3	67.1	
Average per diem rate Average fee charged	,	2.53 0.52	\$176.32 520.40	\$180.72 529.55	Time between hearing and award (days)	46.4	48.7	52.0	
Average expenses charged	7	9.69	76.37	71.78	Total time between request and award (days)	166.4	172.4	173.2	
Average total charged	59	0.12	596.77	601.33	Number of cases sampled	850	870	742	

Figure 15. Frequency of occurrence of issues in cases in which arbitrators selected from FMCS panels made awards—Fiscal Year 1974

General issues'	Frequency of occurrence	Specific Issues	uency of rrence
New or reopene contract term		Discharge and disciplinary actions	1,857 96
Contract interpolation	retation n 3,473	Job evaluation Seniority ² Overtime ³ Union officers-superseniority and union business Strike or lockout issues Vacations and vacation pay Holidays and holiday pay Scheduling of work Reporting, call-in, and call-back pay Health and welfare Pensions Other fringe benefits Scope of agreement ⁴ Working conditions, including safety Arbitrability of grievance ⁵	499 708 458 30 18 140 117 203 89 55 23 98 211 59 397

¹ Compilations based on the number of arbitration awards for which data were available; that Is, 4,490 awards. Some awards involved more than one issue.

² Includes promotion and upgrading (246), layoff, bumping, recall (248), transfer (104) and other matters (110).

³ Includes pay (221), distribution of overtime (208) and compulsory overtime (29).

⁴ Includes subcontracting (93), jurisdictional disputes (45), foreman, supervision, and so on (63), mergers, consolidations, accretion, other plants (8).

⁵ Includes procedural (200), substantive (121), procedural/substantive (62) and other issues (14).

Chapter VII

General Counsel

For many years the Office of General Counsel was responsible for FMCS arbitration operations in addition to its legal functions. However, in August 1973 a new Office of Arbitration Services was created in FMCS, freeing the general counsel for full-time duty as legal officer.

The change was most timely in view of the expanding role of FMCS in the collective bargaining arena and the administrative, legislative and legal changes taking place in industrial relations.

In turn, the larger role of FMCS also called for closer liaison with the legislative and administrative bodies involved in the industrial relations field. This prompted the national director of FMCS to designate the Office of General Counsel as the legislative liaison with Capitol Hill, cooperating in the development of legislation affecting collective bargaining and keeping members of the Congress informed of the agency's involvement in particular disputes.

In addition, the general counsel keeps in continuing touch with such government bodies as the National Labor Relations Board and the Department of Labor.

As chief legal officer of FMCS the general counsel serves as adviser to the national director and to the professional staff as a whole on legal questions arising from specific disputes, and provides staff support, as required, in the mediation process itself.

The general counsel also represents FMCS at conferences and seminars

where legislative, judicial and administrative questions affecting collective bargaining are discussed.

Legislative actions

Several Federal statutes enacted in FY 1974 will affect collective bargaining to some degree.

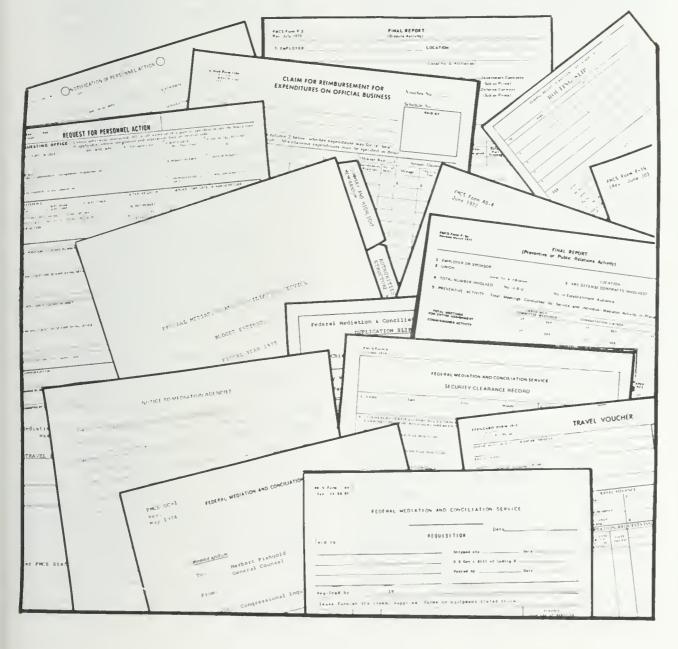
In August 1973 the President signed Public Law 93-95, amending Section 302(c) of the Labor Management Relations Act to permit employer contributions to jointly-administered trust funds that finance legal services for employees and their dependents. Such funds thus became a bargainable fringe benefit, in the same category as pensions, insurance, medical care, child day-care and apprenticeship programs.

The Health Maintenance Organization Act, Public Law 93-222, was signed into law in December 1973. It extends Federal assistance in several ways to organizations (HMOs) that provide their members with prepaid health care, with emphasis on preventive medicine. The significant collective bargaining aspect is a requirement that qualifying employers must offer workers covered by a health benefit plan the option of HMO membership where available.

In April 1974 the Fair Labor Standards Act was amended again, increasing the minimum wage of workers already covered, extending wage-hour protection to most public employees and eliminating certain specialized wage-hour exemptions for workers in chain stores, motion picture theaters, transit lines and the sugar industry.

Chapter VIII

Administration



Introduction

The Office of Administration furnishes a full range of support services. These include budget, financial and personnel management, administrative services, operations audit, management systems and the coordination of field administrative activities. The goal is to provide the responsive, timely, and professional administrative support necessary for FMCS to carry out its responsibilities.

The Budget and Finance Division develops budget estimates and supporting material to cover the financial needs of the Service; coordinates and assists in the presentation of the budget to the Office of Management and Budget and the Congress; provides an integrated system of accounting and budgetary controls, records and reports to meet management's needs and insure compliance with applicable laws, rules and regulations; prepares, reviews and schedules for payment all payrolls and departmental vouchers; and prescribes procedural controls for financial activities at the regional office level.

The Personnel Management Division is responsible for providing and maintaining high-level quality staffing, full staff utilization, career development programs for employees and proper work environment through communication and counseling.

The Management Systems Division administers the automated data processing program and is responsible for a variety of management functions. These include

standardizing case reporting procedures, compiling the program operating statistics, conducting annual operations audit reviews, coordinating interagency reporting, developing forms, overseeing the FMCS issuance system, and providing management analyses, including gathering supporting data for providing workload projections and preparing program narratives for budget requests.

The Administrative Services Division provides support for the national office in Washington, D.C., and the seven regional offices and 73 field stations located throughout the country. These functions include space management, contract management, communications, procurement of equipment and supplies, mail management and duplication and distribution.

Organization

Highly significant changes in the field of collective bargaining in recent years have made it necessary for FMCS to make fundamental organizational changes to meet the growing demand for mediation, factfinding, arbitration and technical assistance.

Special Assistant to the President

In January the President appointed the National Director, W. J. Usery, Jr., to the newly created position of Special Assistant to the President for Labor Relations Matters. Because of the critical role energy plays in the economic and general welfare, the President asked the Director to place special emphasis on labor-man-

agement matters involving the production, delivery, and distribution of fuels and power.

The Director was also asked to submit recommendations for long-range governmental programs to promote labormanagement peace.

Special Assistant for Energy Related Matters

In March the position of Special Assistant to the FMCS Director for Energy Related Matters was established to handle labor relations problems involving energy production, development and distribution. The Special Assistant acts as an advisor to the National Director and provides liaison with other government agencies on energy related matters. Other functions include giving staff assistance to the General Counsel and the Office of Technical Services and the mediation of significant disputes.

Regional Coordinators

In March the position of Regional Coordinator for Technical Services and Public Sector Mediation was established in each of the seven regional offices. These positions were created as part of an increased effort to assist labor and management in preventing disputes in both private industry and public employment. The regional coordinators also provide greater coordination between the National Office and the regional and field offices in technical assistance and public sector matters.

Arbitration Services Advisory Committee

The National Director also appointed a 12-member Arbitration Services Advisory Committee composed of four members each with labor, management and arbitration backgrounds.

The Committee's function is to advise the Office of Arbitration Services on criteria and methods for screening and selecting members for the FMCS roster of arbitrators and to make other recommendations, such as suggesting improvements in procedures for submitting panels to parties.

Organizational Charts

The organizational chart (Figure 18) shows the names of each office of the Service. The functional chart (Figure 19) illustrates the official management structure as of June 1974. This structure provides an effective means to carry out assigned management responsibilities. The map (Figure 20) on page 60 shows the location of each of the seven regional offices and all 72 field offices.

Management Improvement

The mission of this agency is to assist in the resolution of labor disputes and to improve the labor-management climate of collective bargaining. To provide the public with better service, the following priority management improvement projects were undertaken during FY 1974.

Annual Administrative Assistants Conference

In FY 1974 the first annual conference of administrative assistants was held in Washington, D.C., to bring administrative assistants from each of the seven FMCS regions closer to the overall operations of FMCS and to improve their day-to-day performance.

Improved Facilities and New Offices

FMCS also expanded or upgraded its offices in New York, N.Y.; Worcester, Mass.; Philadelphia, Pa.; Mobile, Ala.; Knoxville, Tenn.; Indianapolis, Ind.; Wichita, Kans.; Kansas City, Mo.; Oklahoma City, Okla.; Phoenix, Ariz.; Seattle, Wash.; Spokane, Wash.; and the National Office in Washington, D.C., and opened new field offices in Sacramento, Calif., and Anchorage, Ak., to better meet the needs of the labor-management communities in these key geographical areas.

New Automated Personnel and Payroll System

Plans were in progress at the close of FY 1974 to adopt an automated personnel and payroll system. A study of the needs of FMCS and the various systems available will be undertaken in early FY 1975 followed by a decision as to the type and amount of equipment needed. The new system is expected to be fully operational in the spring of 1975.

Operation Review and Audit

An important part of FMCS's management improvement program is the opera-

tions review and audit of each region. These comprehensive reviews encompass all seven regions and each of the field office stations in the seven regions. The audit review program concentrates on the effective use of mediator manpower, the proper geographical location and appropriate staffing of each duty station and the regional adherence to FMCS policies and procedures. Dialogue between the Regional Directors and National Office staff helps to identify potential problem areas and to plan the appropriate courses of action. One major facet of the audit process is that it serves as a basis for mediator and clerical staffing recommendations and projections in the annual budget submission.

Personnel Management

Personnel management in FMCS is carried on within a framework of laws, executive orders, civil service regulations, and internal personnel policies. It is an integral function of total management and, as such, encompasses the recruitment, selection, and employment of personnel and their assignments as individuals and as team members to carry out the mission of FMCS.

Mediators make up the largest group of employees in FMCS. Mediator positions are exempt from usual civil service eligibility requirements. Administrative and clerical positions, on the other hand, are part of the competitive service and recruitment is subject to civil service rules and regulations.

Mediators are selected through careful screening and critical evaluation by

the Personnel Placement Committee. More than 300 applications were reviewed for the mediator positions filled during FY 1974.

In May, Congress authorized an additional 52 positions, bringing to 493 the total strength of the agency. These positions include 10 temporary and parttime positions. Nine students were employed through the summer employment examination for the period July-September 1973. The table (Figure 16) shows a breakdown of positions by type and location in FY 1973 and FY 1974.



Figure 16. Staffing of The Federal Mediation and Conciliation Service Fiscal Years 1973 and 1974

	FY-1973	FY-1974	Change
National Office	68	96	+28
Field: Regional Management	21	28	+ 7
Mediators	254	266	+12
Administrative and Clerical	88	93	+ 5
Total Field	363	387	+24
Total Permanent Positions	431	483	+52
Temporary Positions		10	
Total FMCS Staffing	441	493	+52

Promotions and Awards

Forty-five mediators and 33 clerical and administrative personnel received grade promotions under FMCS's merit promotion program in FY 1974.

In addition to these grade promotions, 171 employees—121 mediators and 50 administrative and clerical personnel—were awarded in-grade competency increases.

FMCS also has a policy of rewarding its employees for outstanding performance through an incentive awards program. In FY 1974, incentive awards were presented to the following employees:

Distinguished Service Awards

Employee	Station
Pearl O. Smith	Washington, D.C.
William S. Pierce	Atlanta, Ga.
James L. Macpherson	Cleveland, Ohio

Sustained Superior Performance Awards

Employee	Station
Daniel F. Hurley	Boston, Mass.
Aurora Scime	New York, N.Y.
Mayme B. Prestwood	Houston, Tex.
Betty L. Aiman	Kansas City, Mo.

Commendable Service — Group Award

Employee	Station	
Edward W. Eidt	Worcester, Mass.	
Thomas F. McNally	Worcester, Mass.	
William S. MacDermott	Boston, Mass.	
Frank S. McDonnell, Jr.	Boston, Mass.	

Special Achievement Performance Awards

Employee	Station
Norman O. Walker	Washington, D.C.
William P. Hobgood	Washington, D.C.
Samuel F. Marshall	Washington, D.C.
Edward L. Wright	Washington, D.C.
Robert H. Stier, Jr.	Washington, D.C.

Mediator-of-the-Month Awards

Employee	Station
Gilbert S. McCutcheon	Washington, D.C.
Frederick R. Lusk	Denver, Colo.
Richard A. Hughes	Los Angeles, Calif.
Matthew A. Miller	New York, N.Y.
Thomas J. Carroll	Hartford, Conn.
M. Gene Zimmerman	Dallas, Tex.
Beryl M. Carlew	Kansas City, Mo.
William Cherry	Philadelphia, Pa.
Daniel J. O'Leary	Chicago, III.

Quality Step Increase Awards

Employee	Station
Edward A. Adams	St. Louis, Mo.
Lawrence B. Babcock, Jr.	Washington, D.C.
Leo T. Bakula	Chicago, III.
Charles L. Bowen	Chicago, III.
Patricia L. Calewarts	Green Bay, Wisc.
Diane C. Eydmann	St. Louis, Mo.
Bertie M. Fulton	Washington, D.C.
Mabel G. Galbary	Chicago, III.
Aline Gilmore	San Francisco, Calif.
Barton L. Hess, Jr.	Minneapolis, Minn.
William P. Hobgood	Washington, D.C.
George C. Hupp	South Bend, Ind.
Carol J. Jensen	Minneapolis, Minn.
Mildred Kurshner	Philadelphia, Pa.
Brenda S. Ladage	Cedar Rapids, Iowa
Joan F. LeDonne	Chicago, III.
Barbara A. McClos key	Philadelphia, Pa.
John F. McDermott	Trenton, N.J.
Samuel F. Marshall	Washington, D.C.
Earl J. C. Smith	Minneapolis, Minn.
John R. Taylor	San Diego, Calif.
Richard D. Williams	Washington, D.C.
Sharon M. Wilson	Chicago, III.
M. Gene Zimmerman	Dallas, Tex.

Retirement Plaques

The following FMCS employees who retired in FY 1974 received retirement plaques in recognition of their distinguished service to the Federal Government.

Namo	Station	Total Yrs. In Federal Service
Name Mendleson Weinberg Alton E. Hayman Charles L. Tilton James J. Carroll William S. Pierce Louise F. Good Y. Robert Norris William Rose		
Francis L. Denner Ralph O. Harper Arthur C. Wellman Julian L. Ashe Carl J. Clavadetscher Diane J. Knight Martin S. Komornik		21 18 13 12 11 8

Length of Service Awards

The following table shows the number of awards presented during FY-1974:

Years		Number
10	-	. 25
15		. 19
20		. 8
25		. 5
30		. 9
35		. 2
40		. 1
	TOTAL	. 69



FMCS secretary Bernice G. Watson is one of several employees who received awards for long and loyal service to the agency from National Director W. J. Usery Jr.

Financial Management

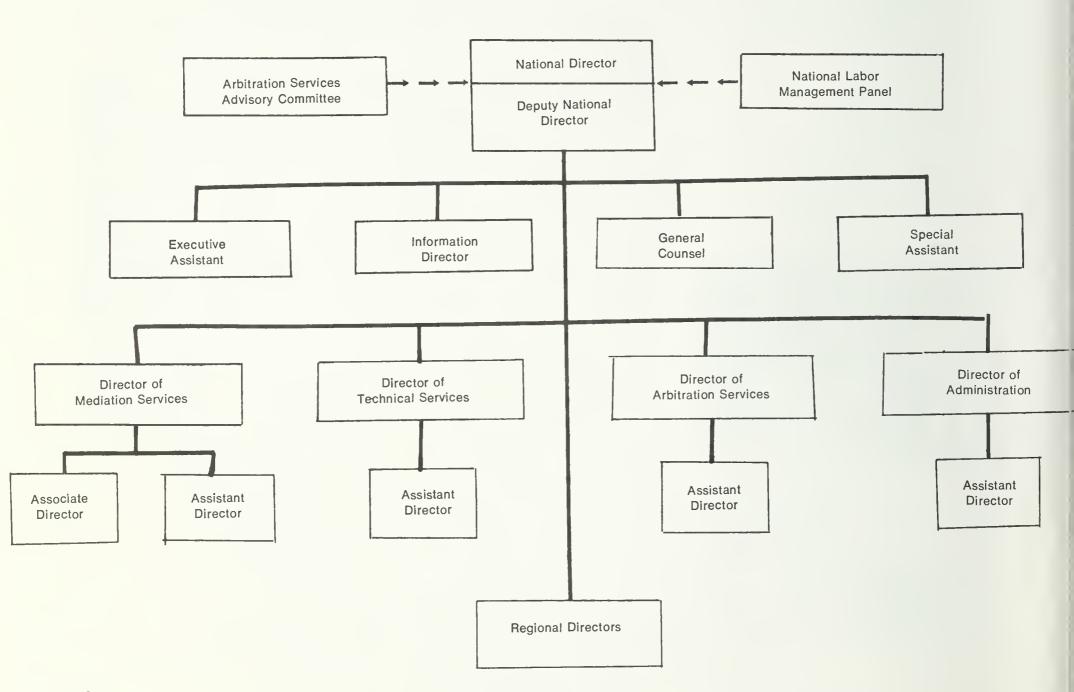
The Congress appropriated a total of \$11,900,000 for the Federal Mediation and Conciliation Service to provide for the cost of salaries and related operating expenses for FY 1974. This total included a supplemental appropriation of \$770,000 for salary increases authorized by the Congress, effective in January and October 1973, and \$170,000 supplemental request for program increases. Of the total funds available, \$11,892,768 were obligated during FY 1974.

Figure 17 shows a comparative summary of FMCS financial activity in FY 1973 and FY 1974.

Figure 17. Salaries and Expenses for FY-1973 and FY-1974

	FY-1973	FY-1974
Appropriations:		
Initial	\$10,650,000	\$10,960,000
Supplemental (pay increase)	168,000	770,000
Supplemental (program increases)		170,000
Total Available	\$10,818,000	\$11,900,000
Obligations:		
Personnel compensation	\$ 9,265,998	\$ 9,120,550
Travel	633,129	921,835
Communications	418,891	785,458
Other	478,140	1,064,925
Total	\$10,796,158	\$11,892,768
Unspent	\$ 21,842	\$ 7,232

Figure 18. Federal Mediation and Conciliation Service Organizational Chart - June 1974



Faure 19. Federal Mediation and Conciliation Service Functional Chart - June 1974

National Director **Deputy National Director** National Labor-Management Panel Arbitration Services Advisory Committee Advisory to National Director Advisory to National Director Policy Establishment and Overall Administration Liaison with White House and Cablnat Mediation of Major Disputas **Executive Assistant** Information Director Special Assistant General Counsel Advisor to National Director on Energy/Labor Relations Mattars Liaison with Other Government Personnel Security Officer **Public Information** Legal Advisor for the Servica Management Officer—Arbitration
Services Advisory Committee Press and Broadcast Relations Public Reports and Pamphlets Congressional Relations Legislative Affairs, Disputes, Agencies on Labor Ralations
Matters Involving Energy Production, Development and Distribution
Mediation of Significant Disputes
Staff Assistance to General Counsal
and Office of Technical Servicas Director, Equal Employment Opportunity Advisor to National Director Intra-Service Publications General Information **FMCS-NLRB Relations** Foreign Visitor Orientation Special Projects Administration of Taft-Hartley Executive Secretary, National Labor-Management Panel Injunction Procedures Mediation of Significant Disputes Mediation of Significant Disputes Administration of Conflict of Staff Grievances Interest Regulations Mediation Services Arbitration Services Technical Services Administration Mediation of Major Disputas Disputa Mediation Policies and Proce-Pravantiva Mediation Maintain Roster of Qualified Arbitrators Employment and Parsonnel Administration Technical Assistance to Staff and Partias Administer Arbitration Panal Requests and Budgat and Financa Arbitration Selection Proceduras
Administer Requests for Direct Designation Procuramant, Servicas and Supply Procedures and Mathods Analysis dures Informational Service to Staff and Rasponsibility of Coordinating Field **Parties** Mediation Activities Within Each Region as Related to Privata and Public Sectors Devalopment and Evaluation of New of Arbitrators to Spacific Disputes Automatic Data Processing and Systams Liaison with Natl. Academy of Arbitrators, American Arbitration Assn. and Stata Davalopment Operating Statistics Disputes Areas Research on Mediation and Other Dispute Settlamant Techniques
Staff Davalopment and Training Coordination of Field Madiation Activities and Interregional Disputas
Utilization of Ad Hoc Disputa Boards, and Local Arbitrator Appointlya Agancias Ragional Operations Audits Internal Audits Advisory Role and Liaison with Foraign Countries on Disputa Rasolution Planning, Direction and Evaluation of Mobilization Planning Workshops and Seminars
Davelopment and Distribution of Media-Panels and Madiators from Privata Procassas Rasearch and Technical Assistanca In Liaison with Othar Agenclas on Spacific tion and Training Aids Davalopment of Arbitration Practicas Madlation of Significant Disputas Disoutas and Proceduras Federal-State Relations Regional Offices (7) Administration of Ragional Activity Mediation and Prevantion of Labor-Management Disputes

Technical Sarvices to Labor and

Ragional Public and Press Relations Training and Development of Naw

Management

Mediators

Spokace ORTH OAKOTA O Great Falls LECTION CHIC Salt Lake City SAN FRANCISCO O Denver O Wichita S CAROLINA Cherlotte NEW MEXICO O Spriogfield O Albuquerque Olos Angeles O ATLANT! 0 Ogirmingham O Phoeoix Little Rock O Dallas ☆ - National Office O - Regional Office o - Field Office

Figure 20 Regionalization Plan—September 30, 1973

CHAPTER IX

Education and Information

The Service has an inherent responsibility as a public agency to keep the public informed of its actions and programs. Furthermore, as an instrument of the Nation's labor relations policies established by Congress, the Service also has an obligation to promote and advance collective bargaining and the mediation process.

These responsibilities are met by an agencywide public relations effort coordinated by the Office of Information and carried out through a diversified program that includes public speaking engagements, publications, news releases, press conferences, radio and television appearances, seminars and special media liaison efforts during key negotiations.

Both the goals of providing timely news to the media and increasing labor, management and public understanding of mediation and collective bargaining are attained by these efforts, which also serve to acquaint the labor-management community with pertinent trends and governmental policies.

Public appearances

Every employee is encouraged to explain the function of mediation, and the responsibilities and obligations of the parties in the bargaining process, through public appearances. Such appearances range from speeches given by top agency officials before large audiences at nationwide meetings to luncheon talks before civic associations. FMCS staff members are also frequently involved as guest lecturers at colleges and universities, participate as panel members in labor-management relations discussions and carry out joint and separate union and management training programs.

These public appearances by FMCS staff are geared toward one goal: improving the collective bargaining climate by upgrading public comprehension of the process and the professional skills of those who are participants in the process.

Letters of appreciation for these activities and an increasing volume of requests for more appearances testify to the success of these efforts.

Media exposure

Closely allied to public speaking, media exposure provides FMCS with another means of informing the labor-management community and the general public about activities of the Service and current developments in collective

bargaining. In the past fiscal year, a number of mediators and FMCS staff members participated in television and radio shows and were interviewed by newspaper and magazine reporters.

In addition to cooperating with the media as a whole, special efforts are made to cooperate with the labor and management press whose readership is particularly attuned to mediation and collective bargaining.

No effort is made to censure material used by the media. However, special effort is made to provide guidance to reporters and interviewers to assist them in being knowledgeable about collective bargaining and capable of accurately interpreting materials for their readers and audiences.

Publications

The Office of Information makes concise and informative information on FMCS available through pamphlets, a monthly publication and this Annual Report.

In the past fiscal year, two new pamphlets were published and made available for distribution. One focuses on FMCS's role in providing assistance to parties seeking arbitration. The other explains the Service's expanded technical assistance program. In addition, the general information pamphlet on FMCS continues to be updated and made available.

The Service's in-house newsletter, the Mediator, was upgraded significantly in FY 74. The format was changed from that of an offset publication appearing

at irregular intervals to a printed publication published monthly. Emphasis on settlements, developments in collective bargaining and technical articles has been increased. And although the Mediator's primary purpose remains keeping FMCS personnel informed of agency activities, the subscription list includes a growing number of persons outside the Service interested in keeping up with collective bargaining and mediation developments.

Press liaison

In progress labor-management negotiations are of great interest to the media and the public. Providing accurate information on the background and progress of such negotiations is a vital function of the agency.

Mediators are fully aware of their responsibility in this area, but are also aware that their primary responsibility is to the parties and therefore some information cannot be released.

I mmediate news releases are issued by the Office of Information when significant events involving the Service occurfor example, when settlements are reached, when meetings are scheduled and when negotiations recess. In addition, press information officers are available during normal working hours and at all hours when key negotiations are in progress to answer inquiries.

During the truckers' strike in February, press liaison officers were available day and night and answered hundreds of telephone calls from the media, the public, government officials and the truckers themselves.

The Office of Information also works with the electronic media to arrange television and radio interviews during negotiations, when such interviews do not hamper progress toward a settlement.

Foreign visitors

Many visitors from foreign countries come to the offices of the Service for briefings on labor relations policies, practices and trends in the United States. Every effort is made to welcome these visitors, many of whom are persons important in the economy and government of their countries.

In FY 74, delegations from 21 foreign nations including 55 individuals were briefed and their questions answered by representatives of the Office of Information and other national office and field personnel.

Summary

The Service's public relations effort is a broad spectrum program. Public appearances, radio and television and press coverage, formal and informal training sessions, conferences arranged by FMCS alone or in cooperation with other organizations, publications, press liaison and visitor orientation and briefing all contribute to the goal of better understanding of mediation and collective bargaining.

Better understanding of mediation and collective bargaining in turn contributes to better labor-management relations, fewer work stoppages and quicker settlements.

With this goal in mind, the Service strengthened its Office of Information staff in FY 74 by adding one additional professional and one additional clerical. This increase in staff has enabled FMCS to enhance its public relations efforts and provide better information services.



Appendix A

Labor-Management Relations Act, 1947, Title I

Title I—Amendment of National Labor Relations Act

Sec. 8. (d) For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession: Provided, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification—

(1) serves a written notice upon the other party to the contract of the proposed termination or modification sixty days prior to the expiration date thereof, or in the event such contract contains no expiration date, sixty days prior to the time it is proposed to make such termination or modification;

- (2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;
- (3) notifies the Federal Mediation and Conciliation Service within thirty days after such notice of the existence of a dispute, and simultaneously therewith notifies any State or Territory agency established to mediate and conciliate disputes within the State or Territory where the dispute occurred, provided no agrement has been reached by that time; and
- (4) continues in full force and effect, without resorting to strike or lock-out, all the terms and conditions of the existing contract for a period of sixty days after such notice is given or until the expiration date of such contract, whichever occurs later:

The duties imposed upon employers, employees, and labor organizations by paragraphs (2), (3), and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization or individual, which is a party to the contract, has been superseded as or ceased to be the representative of the employees subject to the provisions of section 9(a), and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract. Any employee who engages in a strike within the sixty-day period specified in this subsection shall lose his status as an emplovee of the employer engaged in the particular labor dispute, for the purposes of sections 8, 9, and 10 of this Act, as amended, but such loss of status for such employee shall terminate if and when he is reemployed by such emplover.

Appendix B

Labor-Management Relations Act, 1947, Title II

Title II—Conciliation of Labor Disputes in Industries Affecting Commerce; National Emergencies

Sec. 201. That it is the policy of the United States that—

(a) sound and stable industrial peace and the advancement of the general welfare, health, and safety of the Nation and of the best interests of employers and employees can most satisfactorily be secured by the settlement of issues between employers and employees through the processes of conference and collective bargaining between employers and the representatives of their employees;

(b) the settlement of issues between employers and employees through collective bargaining may be advanced by making available full and adequate governmental facilities for conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees to reach and maintain agreements concerning rates of pay, hours, and working conditions, and to make all reasonable efforts to settle their differences by mutual agreement reached through conferences and collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of disputes; and

(c) certain controversies which arise between parties to collective-bargaining agreements may be avoided or minimized by making available full and adequate governmental facilities for furnishing assistance to employers and the representatives of their employees in formulating for inclusion within such agreements provision for adequate notice of any proposed changes in the terms of such agreement, for the final adjustment of grievances or questions regarding the application or interpretation of such agreements, and other provisions designed to prevent the subsequent arising of such controversies.

Sec. 202. (a) There is hereby created an independent agency to be known as the Federal Mediation and Conciliation Service (herein referred to as the "Service," except that for sixty days after the date of the enactment of this Act such term shall refer to the Conciliation Service of the Department of Labor). The Service shall be under the direction of a Federal Mediation and Conciliation Director (hereinafter referred to as the "Director"), who shall be appointed by the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$12,000 per annum. The Director shall not engage in any other business vocation, or employment.

(b) The Director is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the Service, and shall fix their compensation in accordance with the Classification Act of 1923, as amended, and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended. appoint and fix the compensation of such conciliators and mediators as may be necessary to carry out the functions of the Service. The Director is authorized to make such expenditures for supplies, facilities, and services as he deems necessary. Such expenditures shall be allowed and paid upon presentation of itemized vouchers therefor approved by the Director or by any employee designated by him for that purpose.

(c) The Principal office of the Service shall be in the District of Columbia, but the Director may establish regional offices convenient to localities in which labor controversies are likely to arise. The Director may by order, subject to revocation at any time, delegate any authority and discretion conferred upon him by this Act to any regional director, or other officer or employee of the Service. The Director may establish suitable procedures for cooperation with State and local mediation agencies. The Director shall make an annual report in writing to Congress at the end of the fiscal year.

(d) All mediation and conciliation functions of the Secretary of Labor or the

United States Conciliation Service under section 8 of the Act entitled "An Act to create a Department of Labor," approved March 4, 1913 (U.S.C., title 29, sec. 51), and all functions of the United States Conciliation Service under any other law are hereby transferred to the Federal Mediation and Conciliation Service, together with the personnel and records of the United States Conciliation Service. Such transfer shall take effect upon the sixtieth day after the date of enactment of this Act. Such transfer shall not affect any proceedings, pending before the United States Conciliation Service or any certification, order, rule, or regulation theretofore made by it or by the Secretary of Labor. The Director and the Service shall not be subject in any way to the jurisdiction or authority of the Secretary of Labor or any official or division of the Department of Labor.

Functions of the Service

Sec. 203. (a) It shall be the duty of the Service, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, to assist parties to labor disputes in industries affecting commerce to settle such disputes through concilation and mediation.

(b) The Service may proffer its services in any labor dispute in any industry affecting commerce, either upon its own motion or upon the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption of commerce. The Director and the Service are directed to avoid attempting to me-

diate disputes which would have only a minor effect on interstate commerce if State or other conciliation services are available to the parties. Whenever the Service does proffer its services in any dispute, it shall be the duty of the Service promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

(c) If the Director is not able to bring the parties to agreement by conciliation within a reasonable time, he shall seek to induce the parties voluntarily to seek other means of settling the dispute without resort to strike, lock-out or other coercion, including submission to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a secret ballot. The failure or refusal of either party to agree to any procedure suggested by the Director shall not be deemed a violation of any duty or obligation imposed by this Act.

(d) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Service is directed to make its conciliation and mediation services available in the settlement of such grievance disputes only as a last resort and in exceptional cases.

Sec. 204. (a) In order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes,

employers and employees and their representatives, in any industry affecting commerce shall—

(1) exert every reasonable effort to make and maintain agreements concerning rates of pay, hours, and working conditions, including provision for adequate notice of any proposed change in the terms of such agreements;

(2) whenever a dispute arises over the terms or application of a collective-bargaining agreement and a conference is requested by a party or prospective party thereto, arrange promptly for such a conference to be held and endeavor in such conference to settle such disputes expeditiously; and

(3) in case such dispute is not settled by conference, participate fully and promptly in such meetings as may be undertaken by the Service under this Act for the purpose of aiding in a settlement of the dispute.

Sec. 205. (a) There is hereby created a National Labor-Management Panel which shall be composed of twelve members appointed by the President, six of whom shall be selected from among persons outstanding in the field of management and six of whom shall be selected from among persons outstanding in the field of labor. Each member shall hold office for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term, for which his predecessor was appointed shall be appointed for the remainder of such term, and the terms

of office of the members first taking office shall expire, as designated by the President at the time of appointment, four at the end of the first year, four at the end of the second year, and four at the end of the third year after the date of appointment. Members of the panel, when serving on business of the panel, shall be paid compensation at the rate of \$25 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence.

(b) It shall be the duty of the panel, at the request of the Director, to advise in the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country.

National Emergencies

Sec. 206. Whenever in the opinion of the President of the United States, a threatened or actual strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce will, if permitted to occur or to continue, imperil the national health or safety, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe.

Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendation. The President shall file a copy of such report with the Service and shall make its contents available to the public.

Sec. 207. (a) A board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

- (b) Members of a board of inquiry shall receive compensation at the rate of \$50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.
- (c) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of section 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

Sec. 208. (a) Upon receiving a report from a board of inquiry the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

- (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations or engaged in the production of goods for commerce; and
- (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate.
- (b) In any case, the provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.
- (c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon write of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., Title 29, secs. 346 and 347).

Sec. 209. (a) Whenever a district court has issued an order under section 208 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to

such order to make every effort to adjust and settle their differences, with the assistance of the Service created by this Act. Neither party shall be under any duty to accept, in whole or in part, any proposal of settlement made by the Service.

(b) Upon the issuance of such order, the President shall reconvene the board of inquiry which has previously reported with respect to the dispute. At the end of a sixty-day period (unless the dispute has been settled by that time), the board of inquiry shall report to the President the current position of the parties and the efforts which have been made for settlement, and shall include a statement by each party of its position and a statement of the employer's last offer of settlement. The President shall make such report available to the public. The National Labor Relations Board, within the succeeding fifteen days, shall take a secret ballot of the employees of each employer involved in the dispute on the question of whether they wish to accept the final offer of settlement made by

their employer as stated by him and shall certify the results thereof to the Attorney General within five days thereafter.

Sec. 210. Upon the certification of the results of such ballot or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged. When such motion is granted, the President shall submit to the Congress a full and comprehensive report of the proceedings, including the findings of the board of inquiry and the ballot taken by the National Labor Relations Board, together with such recommendations as he may see fit to make for consideration and appropriate action.

Compilation of Collective Bargaining Agreements, etc.

Sec. 211. (a) For the guidance and information of interested representatives of employers, employees, and the general

public, the Bureau of Labor Statistics of the Department of Labor shall maintain a file of copies of all available collectivebargaining agreements and other available agreements and actions thereunder settling or adjusting labor disputes. Such file shall be open to inspection under appropriate conditions prescribed by the Secretary of Labor, except that no specific information submitted in confidence shall be disclosed.

(b) The Bureau of Labor Statistics in the Department of Labor is authorized to furnish upon request of the Service, or employers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute, except that no specific information submitted in confidence shall be disclosed.

Exemption of Railway Labor Act

Sec. 212. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

Appendix C

Recommendations and membership of the National Commission for Industrial Peace in report submitted May 3, 1974:

- [1] That the functions of this Commission, as set forth in Executive Order 11710, together with the programs in which it has participated, be transferred to the Federal Mediation and Conciliation
- Service, and made part of the preventive mediation activities of the Federal Mediation and Conciliation Service.
- [2] That the Federal Mediation and Conciliation Service be given all the
- financial and other support necessary to enlarge and elevate the standing of its professional and mediation staff to develop and administer these additional functions.

[3] That the Federal Mediation and Conciliation Service activate on both the national and regional levels labor-management panels of the kind suggested in the Taft-Hartley Act, and that the members of these panels serve not only in an advisory capacity but also as rosters of citizens qualified to complement or step up the mediation efforts of the professional mediators in important disputes in which there is a good deal of public interest.

[4] That the Federal Mediation and Conciliation Service encourage non-governmental organizations to institute or continue programs which have as their purpose the improvement of collective bargaining and the promotion of non-punitive means of resolving labor disputes.

[5] That we reaffirm our confidence in collective bargaining as the most desirable means of resolving differences that arise between management and labor.

[6] That the President call attention with approval to the trend we have observed of responsible labor and management leadership seeking on a voluntary basis to find rational and peaceful means of resolving the differences that arise during negotiations, instead of relying primarily on economic strife.

[7] That Government refrain from imposing by any additional statutes compulsory arbitration or any other form of coercive action designed to determine the substance of wage and other contract provisions on labor and management engaged in negotiations, or to restrict the course which such parties may elect to follow.

[8] That Government concentrate its efforts mainly on the improvement and expansion of its mediation services, and on making available to labor and management the data and fact gathering facilities of its various departments or agencies with the view of narrowing the areas in which negotiating parties may face difficult issues; that, consistent with the underlying objective, all possible steps be taken to enhance the influence and responsibility of major leadership of both industry and labor in order that they may thereby play a more effective and constructive part in the labor relations program under discussion.

[9] That Government conduct periodic labor-management conferences to discuss the economic conditions and outlook as well as other matters of importance which have a bearing on or which may be affected by collective bargaining.

[10] That an objective and comprehensive review and examination be made of parts of the Labor-Management Reporting and Disclosure Act of 1959, particularly Title I thereof, to ascertain the effect it has had on the ability of labor organizations to engage in responsible and constructive labor relations, including the manner in which it has been interpreted and administered, to determine whether any changes are indicated for the purpose of improving the process of collective bargaining.

The National Commission for Industrial Peace has the following members: Chairman: David L. Cole; representing Labor, I. W. Abel, President of United Steelworkers of America; Frank Fitz-

simmons, President of International Brotherhood of Teamsters; Paul Hall, President of Seafarers' International Union of North America; George Meany, President of American Federation of Labor and Congress of Industrial Organizations; Leonard Woodcock, President of International Union, United Automobile, Aerospace and Agricultural Implement Workers of America; representing Management, Stephen D. Bechtel, Ir., President of Bechtel Corporation; Edward W. Carter, Chairman of the Board, Broadway-Hale Stores, Inc.; R. Heath Larry, Vice Chairman of the Board, United States Steel Corp.; James M. Roche, Member of the Board & Chief Executive Officer of General Motors Corporation; Walter B. Wriston, Chairman of First National City Bank; Ex Officio members, Honorable George P. Shultz, Secretary of the Treasury; Honorable Peter J. Brennan, Secretary of Labor; Honorable Frederick B. Dent, Secretary of Commerce; Honorable John T. Dunlop, Director of the Cost of Living Council; Honorable W. J. Usery, Jr., Director of the Federal Mediation and Conciliation Service.





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EDERAL MEDIATION AND CONCILIATION SERVICE WENTY-EIGHTH ANNUAL REPORT • FISCAL YEAR 1975





The Federal Mediation and Conciliation Service

Service
Twenty-Fighth Annual

Twenty-Eighth Annual Report, Fiscal Year 1975





W. J. Usery, Jr., National Director

James F. Scearce, Deputy National Director

Lawrence B. Babcock, Jr., Executive Assistant to the Director

Kenneth E. Moffett, Director, Office of Mediation Services

Jerome T. Barrett, Director, Office of Technical Services

L. Lawrence Schultz, Director, Office of Arbitration Services

Stephen P. Lejko, Director, Office of Administrative Management

Herbert Fishgold, General Counsel

Norman O. Walker, Director, Office of Information

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To the Congress of the United States

It is my honor to submit the 28th Annual Report of the Federal Mediation and Conciliation Service for the fiscal year ending June 30, 1975.

In my opinion it is a very heartening report.

The period of time covered was a difficult one indeed. A high rate of inflation coupled with the recent end of wage and price controls in the beginning of the year, followed by a severe and swift recession, produced extremely difficult choices for the parties to collective bargaining agreements.

Yet as the record shows the Nation was spared the hardship of any severe protracted labor dispute.

The conclusion to be drawn from this can only be that collective bargaining is working, and in my opinion the programs of the Service and the efforts and skills of our mediators are helping it to work.

In submitting this report, I do so not only as Director but also on behalf of the more than 500 skilled and dedicated employees of this agency who truly deserve the credit for what follows.

W. J. Usery, Jr., National Director

Chapter I

Introduction

This 28th Annual Report summarizes a year of high inflation, rising unemployment and troubled economic conditions that severely tested the institution of collective bargaining.

It is a credit to the maturity of the parties and the wisdom of the bargaining structure created by the Congress that the institution responded well. Although there were a large number of strikes, especially in the early part of the year following the end of three years of wage controls, there were none so long or so severe as to threaten the national economy. Although economic conditions changed considerably during the course of the year—from the inflationary bubble in the early months that soon broke and left the Nation in the worst recession since the 1930's at year's end-at no time did the bargaining power shift enough to allow either labor or management to dictate terms of agreements.

Mediation played a key role in helping collective bargaining work, not only in the private sector, but in the public sector as well. Here a quiet revolution has been going on. While the percentage of organized labor in the private sector has changed very little over the past decade,

the growth of union membership among public service workers has been dramatic. In the fall of Fiscal Year 1975, more than 50 percent of Federal, state and local employees had union ties.

Nor is mediation the whole story. While disputes and strikes make news, the machinery of collective bargaining is oiled throughout the year in other ways. Requests for arbitration assistance again increased by more than 20 percent, reflecting the growing use of this method of resolving grievances. The Service received almost double the number of requests for technical assistance programs as compared with the year before. FMCS professionals spoke publicly, conducted classes, showed films, put on workshops and in other ways contributed to the growing understanding in this country of the collective bargaining system and how it works.

In the midst of this activity, the Service took time to reflect upon itself and its goals. An outside audit examined every facet of the FMCS and presented a full report to a week-long top staff meeting in Reston, Virginia. Out of that meeting came many changes in operations and procedures. At the same time it also resulted in the formulation of the FMCS Mission Statement, which appears on the inside back cover of this report. Another important change was the creation of an eighth regional office, with headquarters in Seattle. This change was effective as FY 1976 began.

A major development for the agency occurred in August 1974 when an estimated three million employees of private nonprofit health care facilities were

brought under the scope of the Labor Management Relations Act by the Congress. The amendment also prescribed new and more rigid procedures for all bargaining in the health care industry. The amendment resulted in 1,400 health care cases for the Service. The greatest numbers were in New York and California.

Expanding activity, heavier caseloads and new responsibilities made it necessary to add additional mediators to the FMCS staff. In doing so, the Service reexamined and expanded its mediator intern program to enable highly talented younger persons—especially women and blacks—with less experience become qualified mediators after one year of in struction and on-the-job training.

The Bargaining Pattern

When the fiscal year started, there were more than 600 strikes in progress double the usual number. The reason wa the end of controls in May 1974.

During the control phase, many unions especially in the construction industry gave up traditional multiyear contract in favor of one year agreements in orde to be able to bargain for larger wage in creases during the first year after th end of controls. Other unions simpl postponed or extended bargaining unt controls were off. This created an unusu ally large number of negotiations durin the last two months of Fiscal Year 197 and the first several months of Fisca 1975. Coupled with the large wage ir creases that many of the unions wer seeking, this resulted in a high numbe of strikes.

By September, however, the number c

trikes returned to its normal level for hat time of the year of about 200.

The pattern that emerged during much f the year went something like this: reed from controls, unions sought catchp wage increases of as much as 12 and 5 percent in the first year to make upor purchasing power lost to inflation. In lose industries enjoying substantial rofits or able to pass the increased cost long in higher prices, the settlements ame relatively easy. In those industries there this was not possible, settlements ame with more difficulty.

A case in point can be made in the nergy industries versus the manufacturing industries, especially the small conact manufacturer supplying a larger anufacturer with components at a set rice.

Settlements were reached with fairly nort strikes and somewhat large wage creases in both the oil and coal indusies in Fiscal Year 1975. Many manufacters of components or in a highly competitive field such as appliances, on the her hand, took long strikes rather than we up wages they felt they could not ford and remain competitive.

he psychological impact of the receson also had effects on bargaining. By te summer and fall, layoffs in the auto dustry had mounted, construction had en depressed for some time, unemployent was up, and there were other obvious signs of an economic downturn. With le number of jobs shrinking, workers are generally less militant.

On the other hand, the recession hit rdest from late fall to early spring, the the of the year when bargaining activ-

ity is at its low ebb. By mid-spring, when bargaining activity began picking up, the tax cut was pouring money back into the economy and there were other signs that the recession was easing, though far from over.

Postal Negotiations

One dispute that was not a strike deserves special mention. The negotiations between the U.S. Postal Service and four unions representing approximately 600,000 postal employees. Although postal employees are forbidden by law from engaging in work stoppages, they had done so once before in 1970 and there were grave fears they would do so again. A nationwide postal strike of any duration would have had enormous consequences.

Negotiations began in Fiscal 1975 but carried over into the next fiscal year. The Service monitored the negotiations, mediated the final sessions and on the weekend the old contract expired, pushed round-the-clock bargaining sessions until a new contract was reached. The National Director headed the negotiations.

The postal negotiations underscore the need for aggressive mediation. Neither the Postal Service nor the unions had been able to get negotiations moving to speak of prior to the FMCS entering the dispute. Without aggressive mediation, the chance of a strike nobody wanted would have been all too real.

Railroad Negotiations

During the same week that the Nation faced a possible postal strike, a work stoppage was threatened on the country's entire rail system by the Brotherhood of Railway Clerks. The union was



A tentative agreement is announced by C. L. Dennis, president of the Brotherhood of Railway and Airline Clerks, following a week of intensive 'negotiations under mediation. The agreement prevented a nationwide railroad strike.

disappointed with the recommendations made by a Presidential Emergency Board. These recommendations had, however, been accepted by other rail labor organizations.

The National Director of the Service, acting in his capacity as Special Assistant to the President and working with the National Mediation Board, obtained several extensions of the existing agreement and succeeded in obtaining a new agreement with the carriers to avert a crisis.

Mediation Policy

The policy of aggressive mediation, which the agency has been developing during the past several years, was stepped up in Fiscal Year 1975. By "aggressive" is meant alert and positive action in safeguarding the public interest in the labor-management field.

Two regions experimented successfully with case preassignment. Under this system, mediators are informed well ahead of time what cases they will be handling and are able to contact the parties long before bargaining even begins.

Aggressive mediation also includes bringing in outside assistance in difficult disputes and escalating local disputes to the regional and national levels if necessary to further help achieve a settlement. Mediators are also expected to be imaginative and actively participate in the thought process and rationalization of possible impasse solutions.

The FMCS maintains an affirmative policy of working in close cooperation with its sister agencies in the Federal and State Governments and with any and all

organizations interested in the development of collective bargaining. These include colleges and universities; professional societies such as the Industrial Relations Research Association and the American Arbitration Association; area labor-management councils and many others, including labor and management groups.

To be most effective, these organizations must cooperate with each other, share information and experience and assist one another when possible. They all play a part in making the collective bargaining process work.

Summation

No summary of private sector mediation efforts and collective bargaining in Fiscal Year 1975 would be complete without taking a moment to place the events of the year in perspective.

Collective bargaining is changing and the FMCS is changing to keep up with the times, from mediator training to mediation techniques, from improving arbitrator selection to furnishing a fuller range of technical assistance help, from involving the agency in Federal, state and local public sector cases to rendering assistance in a dispute between Indian tribes in Arizona.

Without a doubt Fiscal Year 1975 with the end of controls just a few months before, the highest inflation since the years just following World War II and the worst recession since the Great Depression of the 1930's, was a trying and taxing time for collective bargaining.

Through it all the bargaining process came through with flying colors. The total loss of man-days to strikes, the nationwide shutdown of major industries the occurrence of inflationary settle ments during the past fiscal year are minuscule compared to what took place during 1946-1947 when the Nation was also coming off controls during a period of peak inflation.

The continued mutual respect between labor and management during Fiscal Yea 1975 stands in marked contrast to the bitter labor-management struggle that characterized large segments of private collective bargaining during the 1930's.

These achievements suggest that collective bargaining has matured rapidly if the 40 years since the passage of the National Labor Relations Act in 1935, and that corollary supporting institution such as the National Labor Relation Board, the Federal Mediation and Conciliation Service, organizations of labor unions and employer associations, institutions of higher education and state at Federal laws and programs have created a solid framework for sustained and continued progress.

The outlook for continued maturity labor-management relations is bright. To Nation is fortunate to have an efficient operating bargaining system bolsterijts economy.

The chapters that follow provide indepth review of the agency and its udertakings during the past fiscal year is a record of challenge and achievement and one that will be built upon in the future to make the Service an even more effective peacekeeping agency in the struggle to guard and preserve lab management peace and the system free collective bargaining.

Chapter II

Private Sector

ne word best describes private sector ollective bargaining in FY 75: explosive.

At first this word seems to overstate e situation, for the Nation was not cked by a succession of major indusy strikes. Indeed the only major indusy strike of any consequence occurred the bituminous coal industry. That rike lasted only 29 days and it did not we serious consequences outside the dustry.

But the overall collective bargaining imate in bargaining units of small and oderate range was indeed explosive. On ly 1 when the fiscal year began there approximately 600 work stoppages progress and something like 250,000 torkers on strike. A year earlier there about 250 strikes and only 72,000 uployees off the job.

Why the sudden jump? The answer in be found in the end of Federal wage introls on May 1, 1974. During the contil period, wage increases were held to toughly 5.5 percent. During this period to cost of living increased annually by much as twice this amount. Wage earns in virtually every industry suffered the losses in purchasing power.

Thus the stage was set in the last two paths of FY 74 and in the early months

of FY 75 for major confrontations between unions seeking to make up their losses and employers, who were also caught up in the spiral of inflation, trying to hold down their soaring costs.

Compounding Problems

There were other compounding problems.

During the control period many unions, particularly in the construction industry, abandoned traditional multiyear contracts in favor of one-year agreements in order to be able to bargain for catchup wage increases at the earliest opportunity after controls ended. As a result an unusually large number of contracts were up for renegotiation as the year began.

The period of controls also produced an artificial bargaining climate. Thus comparisons of strike totals in FY 75 with totals during the three preceding years are somewhat misleading.

The end of controls resulted in a new bargaining freedom and in early FY 75 very few industry patterns had been established. Without patterns as guidelines, negotiations frequently took longer and resulted in strikes.

Highest Caseload

As might be expected the FMCS experienced its highest caseload in history: 21,385 cases. Of these, 19,771 involved labor-management contract negotiations, an increase of more than 5 percent above the previous record of 18,809 set in FY 74.

Federal mediators were involved in 8,795 joint meeting cases with the parties, also a new record.

The number of work stoppages in these cases also set new records. Of the total 19,771 dispute cases, 3,005 or approximately 15 percent, included a strike or lockout. These figures, high as they are, no doubt would have been much higher still had the pattern in effect in the beginning of the year continued. It did not, however, because of a number of developments that took place during the year.

Changing Patterns

First and obviously, the large number of contracts up for renegotiation during the early months of the year gradually declined as the number of one-year construction contracts referred to earlier and the traditional number of construction contracts negotiated in the early part of the year were eventually settled.

Second, as the year progressed a steep recession set in. Jobs became scarce and fewer unions found themselves in position to sustain a lengthy strike.

Third, by the end of the year inflation had begun to moderate, industry patterns in many instances including cost-of-living formulas had been established, and normalcy had returned to the bargaining table.

Thus at the end of the year the number of strikes was down to about the same rate as in FY 74.

The FMCS Response

Throughout FY 75 the Service continued to develop what can best be described as an aggressive attitude toward mediation.

Field mediators were urged to step in early in disputes that seemed likely to need third-party assistance. Regional offices kept on top of developments in local disputes, consulted frequently with the mediators involved and when necessary dispatched regional office troubleshooters to assist in negotiations, temporarily transferred mediators from one duty station to another to assist in disputes, or called the disputing parties to negotiations in the regional offices.

In the case of particularly difficult or critical disputes, troubleshooters from the national office augmented field and regional efforts, and not infrequently the National Director himself became personally involved. When necessary, the parties were summoned to Washington.

These efforts undoubtedly kept the number of strikes from being even higher and reduced the length of many others as the capsule summaries of a number of significant cases that follow will show.

The Coal Negotiations

The 1974 coal negotiations and the 29-day strike by 80,000 members of the United Mine Workers was the most significant single case handled by the Service during the fiscal year.

It was the only major nationwide strike.

It was the first time the Service had ever been involved in coal negotiations.

It resulted in a followup technical assistance effort to help reduce the frequency of wildcat strikes in the industry.

In April 1974 an effort was made to begin early negotiations under the auspices of the Service. Essentially it involved the Government's setting aside price controls on coal in return for early negotiations.

The United Mine Workers, however, did not accept the proposal even though

it was accepted by the Bituminous Coal Operators Association (BCOA), and it wasn't until early September that actual talks began.

Even though the Service was not involved in a mediating role at this time, the FMCS did play several backstage roles.

The day before the negotiations began, the National Director accompanied the president of the UMW to a meeting with the President at the White House to discuss the upcoming negotiations.

During the negotiations, FMCS personnel talked almost daily with officials from both sides and kept top Government officials of other agencies informed by holding weekly meetings.

With the old contract set to expire on November 12, the FMCS National Director arranged meetings late in October between the principals of both sides and the President.

Beginning in November, the National Director, the Region 2 Director and a specialist in energy-related negotiations for the Service began holding off-the-record daily meetings with the principals.

On November 13, a tentative agreement was reached. The agreement, however, was rejected by the union's Bargaining Council and a new round of negotiations was scheduled to begin November 22. In the meantime, the UMW, which has always held fast to a policy of "no contract, no work," had walked off the job.

On November 24, the off-the-record meetings became on-the-record meetings as the Service became directly involved in the negotiations. That evening a new tentative agreement was announced.

Once again the agreement was rejected by the union's Bargaining Council and on November 26 the National Director of the Service requested a meeting with the Council. The meeting was scheduled for 5 p.m. However, before the National Director was to speak, the Council announced that it had reconsidered and would accept the new agreement.

The 1974 negotiations were unique for another reason. Never in the past had the UMW required a membership vote for ratification. Thus, the 56 percent vote approving the new contract represented the first time in the union's history that the membership had had a final say.

The new contract runs for three years expiring November 12, 1977. It includes substantial wage gains, pension improvements and significant new procedures for resolving grievances that hopefully will prevent the frequent "wildcat" work stoppages that for years have beer seriously reducing coal production.

Shortly after the agreement was puinto effect, the Service began planning an ambitious program of training folleaders of UMW locals.

Sessions were to be held throughou the coal fields to train union officials in leadership and grievance procedure responsibilities. A subsequent course directed toward improving relationship and involving both foreman and stew ards is also planned.

The ultimate significance for the Servic in the 1974 coal negotiations is that th improvement in relations between the

ervice and the two parties opens new oors to assistance in this industry.

As one example, in addition to the echnical assistance effort, the Service vas able to work with the union during he same period to help settle a dispute etween UMW Construction Workers nd the Association of Bituminous Conractors.

Again, an initial tentative agreement vas rejected two days later by the Baraining Council. Resumed bargaining, owever, produced a new agreement that vas soon ratified.

Before the national coal contract neotiations got under way, the Service elped settle a long work stoppage in entucky that threatened to stall the naonal contract bargaining. This involved violent, 13-month strike at the Brookide mine in Harlan county.

The mine is operated by the Eastver Mining Company, a subsidiary of the Duke Power Company. Following the Power Line violence, top officials of astover and Duke were called to Washigton for marathon bargaining sessions with the UMW. Agreement ending the trike was reached in an all-night session with the National Director of the ervice.

nited Parcel Service

An 84-day strike that threatened 4,500 bs and parcel delivery in New York ity went down to the wire—November 3—the day the company said it would ease operations entirely and for good the metropolitan area if a new concact could not be reached.

Issues in addition to wages included ork practices and the number of split-



shift and parttime employees. Teamsters Local 804 called the strike on August 20, the third strike in seven years against the company. As talks inched on with threats from both sides getting stronger, the mayor of New York sent a personal appeal to the National Director to enter the negotiations.

Talks moved to Washington where a 32-hour bargaining session failed to bring an agreement and a new round began on the day before the contract was to expire. An hour before the midnight deadline with some give and take by both sides, a basis for a compromise new agreement was found and by midnight the new contract was completed.

Had the talks been unsuccessful, New York City would have been without a major source of its parcel delivery service during the height of the Christmas holiday season. The United States Postal Service already had begun making contingency plans to absorb the heavy increase at a cost estimated in the millions of dollars.

Florida Food Stores

Food Fair and Pantry Pride supermarkets in the Miami, Jacksonville and Tampa areas were struck for 23 days by the Amalgamated Meat Cutters and Butcher Workmen. The work stoppage was complicated by an incident that took place at a store in Sanford, Fla., two months earlier.

The strike began on February 16, 1975, by 1,500 members of the Meatcutters' union and five days later they were joined by 3,000 members of the Retail Clerks International Association, who voted to honor the Meatcutters' picket line.

Joint sessions by the FMCS mediator in Florida three days before the strike resolved many of the issues but no solution was found to the Sanford problem.

The Sanford problem occurred when 21 non-union clerks at a Sanford Pantry Pride store walked out on opening day. The next day the 12 meatcutters at the store walked out in support. All were replaced.

During negotiations, management offered to rehire the 12 meatcutters but not the 21 non-union clerks. The meatcutters maintained their support for the clerks.

A settlement was reached when the mediator proposed leaving the problem of the Sanford clerks to be resolved between the company and the Jacksonville local.

As a footnote, the clerks who honored the meatcutters' picket line during the strike negotiated a new contract in June without a work stoppage.

Postal Negotiations

The Federal Mediation and Conciliation Service played a major role in helping the United States Postal Service and its four major unions reach terms on a new contract just as the old contract expired.

Although the law that established the Postal Service as a semi-private corporation prohibited strikes, there had been strong hints by some union officials suggesting the possibility of a work stoppage when the old contract expired.

The unions were National Association of Letter Carriers, American Postal Workers Union, Rural Letter Carriers Association, and the Laborers International Union (mail handlers).

The National Director held preliminary meetings with the principal negotiators for both sides during June and early July. It was not, however, until ten days before the contract was scheduled to expire on July 21, that the Service entered directly into the negotiations, with the National Director himself involved.

Although the parties had made some progress on their own, a number of key issues remained: wages, the no layoff clause, retention of a cost-of-living formula and work measurement practices. These issues proved difficult and still clouded the prospects for a settlement when a series of round-the-clock bargaining sessions began.

As late as the evening of the 21st it remained doubtful that the two sides could reach a contract before the midnight deadline. Both sides had been bargaining long and hard under glaring lights in the conference rooms of the L'Enfan Plaza Hotel in Washington.

Meanwhile, in New York and other key cities, postal union locals kept in contact with the negotiating teams to de termine what stance they should adopt

Just a few hours before midnight the pieces began falling into place. Call from Washington assured postal work ers that a new contract could be reached and it was just a few hours after the midnight deadline. Subsequent ratification by the unions insured three year of postal service.

Greyhound

The first nationwide passenger bu strike occurred in November 1974 whe members of the Amalgamated Trans Union (ATU) walked off the job agains



reyhound Bus. The strike ended a week ter after intense mediation efforts.

Bargaining had been virtually staleated and broke off a week before the d contract expired, with 144 unrelved issues still on the table.

Even though the old contract had exred, work continued and new bargaing sessions were scheduled in mid-Nomber with a national office representive joining the talks. Fifty-eight hours marathon bargaining produced some ogress, but not enough to satisfy the TU. The union rejected any further tension and struck.

Intense negotiations during the strike Phoenix, the national headquarters of reyhound, eventually produced a tentale agreement and the week long strike ded. Bus service resumed in time to Indle Thanksgiving holiday travel.

St. Louis Sheet Metal Workers

A very difficult and unusual strike by Sheet Metal Workers Local 36 in St. Louis was finally brought to an end after 175 days when a compromise on a controversial "underemployment" benefit fund by the Sheet Metal Workers International Association was reached in negotiations in FMCS's Washington National Office.

The fund, dubbed SASMI for Stabilization Agreement of the Sheet Metal Industry, provides certain benefits to members who work less than a specified number of hours during a six-month period. It is funded by contributions from employers of three percent of payroll. However, the Sheet Metal Contractors Association of St. Louis refused to be a party to SASMI and Local 36 refused to be denied.

The strike, which eventually affected thousands of workers in other trades as its impact began to be felt on construction projects, began July 31, 1974. The end came Jan. 23 in Washington after three days of talks, the last session lasting 16 hours.

In effect, the compromise involved having the SASMI funds paid to the workers directly and the deduction then taken from the workers' pay, rather than the employers' payrolls.

Other issues involved wages, fringe benefits, etc. The 1,400-member local ratified the agreement by almost two-toone.

Litton Ship Systems, Inc.

A strike by 14,100 Machinists against Litton Ship Systems, Inc., of Pascagoula, Miss., could have turned into one of the longest and most damaging strikes in the industry. Instead it ended a month later in mid-December with a new 37month contract and a sense of mutual respect between the two parties.

Credit for the short duration and satisfactory conclusion of the work stoppage has to be given in large measure to the effectiveness of the mediator enhanced by years of a good working relationship and a technical assistance program with the two parties.

The strike came when the two sides found themselves deadlocked over wages, cost-of-living protection and contract duration. The mediator, after consulting with the regional office in Atlanta, submitted recommendations that proved acceptable to both sides as a basis for a settlement.

Continued contact is protecting this relationship and insuring good labor-management relations at the largest ship-building facility on the Gulf Coast.

Chicago Concrete

The strike began May 16 and by early July 70 percent of the Chicago area construction workers were out of work and more than \$1 billion dollars in projects had come to a halt. The strike by 2,566 ready-mix drivers, members of the Teamsters Union, against the Chicago area concrete industry ended July 12 after two days of nonstop bargaining involving local and national office mediators.

At one point in the critical hours when the sides were trying to close the gap in wages that still separated them, the Illinois Governor excused himself from a dinner party and personally called both



Conclusion of an agreement between the General Dynamics Corporation's Quincy shipbuildin facility and the Industrial Union of Marine and Shipbuilding Workers of America, ending a 116 day strike, resulted in a special productivity effort through joint labor-management committees Union and company representatives were present with mediators at the signing of the special agreement.

sides and asked them to stay at the table.

The pressure by the mediators and the Governor's office, in addition to the economic pressure of the strike itself, finally helped gain the compromise that resulted in a new three-year contract that was ratified by a vote of three-toone.

United Aircraft Corporation

The significance of the dispute between the International Association of Machinists and the United Aircraft Corp. of East Hartford, Conn., lies in the fact that a settlement was achieved, against long odds, without a strike.

The United Aircraft Corp. is the larges employer in Connecticut with some 57,000 persons on the payroll. The IAN represents approximately 16,500 of 33,000 workers in three Pratt and Whitney plants, Pratt and Whitney being a division of United Aircraft.

Negotiations had been extremely tens in the months before the old contract expired. Several issues, including unio demands for an uncapped cost-of-livin clause and increased union security were considered nonnegotiable by bot sides. Litigation still in the courts, resuling from a bitter 1960 strike, furthe clouded the air. And to top it off, a Canadian subsidiary of the company was

n the 11th month of a strike.

The mediator from the Hartford office ssigned to the case felt strongly that if alks broke off at any point, it would be lmost impossible to get them going gain before the contract expired and a trike followed.

He, therefore, kept long bargaining essions going, some of them round-theock until 24 hours before the deadline.

At that point, he arranged for a private coloratory meeting between the highest ficials of both sides. This meeting rned into a 15-hour bargaining session at led to a settlement.

ew Orleans Public Transit

A two-and-a-half month public transit rike in New Orleans that began a week fore Christmas ended March 7 when the bus and trolley drivers ratified an reement that provided for arbitration all remaining issues.

The complicated dispute and the unual settlement required not only the sistance of the local mediator, joined i the talks by a national representative, let also the assistance of the mayor and cy council.

As background, New Orleans Public rvice Inc., which owns and operates te transit system, also owns and operates the city's gas and electrical services. The company had offered similar wage icreases and new contracts to the tions at all three divisions. The two tility division unions accepted, but the twy certified Amalgamated Transit Lion local balked.

The pressure on both sides mounted. the end, with the help of the mayor d council, the two sides agreed in

principle to arbitration. The company, however, wanted strict limitations placed on the arbitrator's award.

As one of the mediators put it, "We could have spent months hammering out an acceptable submission document, waiting for an award and a new contract."

The impasse was resolved by making the new contract the submission document. And the acceptable language in the contract came from a sequence of proposals and counterproposals by the company and union.

Although relatively unusual, the step of getting the strike over and arbitration in progress worked in this case and demonstrated the flexibility of mediator-assisted collective bargaining in a complicated area of semi-public sector negotiations.

Telephones

A last-minute settlement averted a nationwide strike in the American Telephone and Telegraph Company's Bell System in early August 1974. The new agreement was achieved with the assistance of the National Director of the Service and top officials of AT & T and the Communications Workers of America.

A major feature of the settlement was an agency shop provision. It also represented the first nationally-negotiated agreement covering all Bell affiliates. Previous bargaining had been on a company-by-company basis.

Some 60,000 employees represented by the International Brotherhood of Electrical Workers at Western Electric, the AT & T manufacturing affiliate, refused to accept the CWA settlement pattern and engaged in a three-week work stoppage before reaching settlement.

In May 1975, the Service assisted in settlement of a six-month-old strike by CWA members employed at the Rochester, New York, Telephone Corporation. Both sides ultimately accepted settlement recommendations made by the Service.

Sea-Land

A serious trucking and shipping strike affecting the distribution of supplies throughout Alaska was settled in conferences held in Washington with federal mediators. The 11-day work stoppage had materially affected the delivery of foodstuffs and other supplies arriving by sea at Anchorage. The agreement was reached between Sea-Land Services Inc. and Local 959 of the Teamsters union.

McDonnell-Douglas

Separate work stoppages began in February 1975 at McDonnell-Douglas Corporation's plants at St. Louis, in California and at Cape Canaveral, Florida. The installations provide important government procurement requirements, including equipment for space missions and manufacture of civilian and military jet aircraft.

A settlement applying to plants employing some 7,000 workers, members of the International Association of Machinists, was reached in Los Angeles in mid-April.

A settlement at St. Louis came almost a month later, after intensive bargaining in St. Louis and Washington. Some 11,500 machinists were involved in this dispute. **Chapter III**

Public Employee Bargaining

In recent years the public has become aware of public sector collective bargaining. It is no longer unusual to read about teachers on strike, police agencies hit by 'blue-flu' epidemics, or to experience a curtailment of other public services because of a dispute.

Even so it still comes as a surprise to learn that in FY 75 more than half of all public employees were represented by unions or employee associations. According to findings published by the Census Bureau, in October 1974 some 4.7 million state and local employees—51 percent of the non-Federal public workforce—belonged to unions or associations. A Civil Service Commission report for the month of November 1974 shows that 1,142,419—or 57 percent of the total Federal payroll—employees were entitled to representation by existing unions with exclusive recognition rights.

The fact that more than half of the public workers in the Nation have a union affiliation—compared to only about 20 percent of the entire private sector workforce—underscores the dramatic change that has taken place during the last dozen years.

In 1962 although figures are sketchy there were probably no more than 1.6 million union members at the state and local level, or approximately 20 percent of the 8 million non-Federal public employees.

In the Federal sector, union membership was concentrated in postal services and in the crafts in such work places as shipyards, arsenals, repair facilities and the Tennessee Valley Authority, probably totaling about 300,000.

It's not surprising then that the Service had little involvement in public sector labor-management negotiations. Prior to January 1970 Federal mediators participated in only 22 such cases.

In that year, however, a change took place. Executive Order 10988 signed by President Kennedy in 1962 had opened the door to Federal sector labor-management collective bargaining. In 1970 it was replaced by Executive Order 11491, a broader order that expanded bargaining and carved out a role for the FMCS. In essence it provided that the Service would be notified of Federal sector disputes and would proffer its Services. From 1970 to 1972 the Service monitored or mediated 524 Federal service bargaining cases.

At the same time an evolution had taken place at the state and local level. The National Education Association, for example, that had originally been a lobbying association for teachers began acting like a union and negotiating contracts. At the same time its membership increased by almost 50 percent. The American Federation of Teachers, with a membership of about half a million, has experi-

enced similar growth.

Similar transformations were taking place among other employee associations including those embracing police and firefighters. In addition, many teachers, police and firemen joined existing unions.

Also in 1970, the first major strike by Federal employees took place: the walkout by postal workers across the nation.

The Service could no longer ignore public sector disputes, Federal or local. They had become part of the times and part of the challenge of modern labormanagement relations.

The next important change occurred in August 1973 when the Service announced new dual policies in both the Federal and public sectors.

In the Federal sector the FMCS announced that it would no longer merely assist in Federal sector negotiations, but in addition would actively push for settlements. This change occurred because without the pressure of strike deadlines, with only limited bargaining experience by the parties, and with sometimes cumbersome management approval procedures, delays of many months were not uncommon in contract negotiations.

In the public sector the Service reaffirmed its policy of generally deferring to state and local mediation agencies in state and local employee bargaining, while also assisting state and local governments in establishing and strengthening state and local agencies. At the same time the FMCS also has maintained a policy of assisting in public sector disputes where local mediation is lacking or where the Service's assistance is requested by a state or local mediation agency.

Federal Sector Mediation

The sudden surge in FY 74 Federal ervice cases continued in FY 75. The MCS monitored or mediated 479 conact negotiations and held 639 joint and eparate conferences.

Of the 479 cases in FY 75, 173 required pint conference meetings with Federal rediators assisting at the bargaining rible. In other cases the mediator met reparately with one or both parties or sisted in other ways. An agreement as reached in 362 cases, 75 percent of retotal. The remaining cases either cared over into the new fiscal year, were referred to the Federal Service Impasses anel or the Assistant Secretary of Labor Labor-Management Relations for resultion, or were closed for lack of barnining activity.

The negotiations involved 36 Federal gencies, 46 unions and 47 states plus the istrict of Columbia and Puerto Rico. ne heaviest bargaining took place in alifornia (56 disputes), the District of plumbia (37 disputes), Texas (28 distes) and Virginia (23 disputes). See bles 1 through 10.

The following cases illustrate typical deral sector cases handled by the MCS in FY 75.

deral Aviation Administration

The Professional Air Traffic Controlles Organization (PATCO) and the FAA we had a dynamic collective bargaining lationship over the past six years. Nestiations were characterized by hard regaining during this time to reach a tional agreement covering 16,000 air tiffic controllers.



FMCS Commissioner Eugene E. Garrety of Charlotte, N.C.

FMCS assistance was requested after the parties had negotiated continuously with very little progress, and over 70 issues remained unresolved.

Two mediators joined the negotiations. Three days of intensive mediation produced no movement and the sessions were broken off. The mediators, however, continued to meet separately with both sides over the next three months.

Isolated instances of air traffic controller unrest were evidenced by brief job actions at airports in Chicago, Pittsburgh and New York City.

Mediation efforts continued through joint and separate meetings until all but 12 issues were resolved. Officials of the Department of Transportation as well as top FMCS officials then concentrated their efforts to bring the negotiations to a conclusion.

Four top FMCS representatives joined the talks, and although it took 40 meetings, a two-year contract was achieved in FY 75.

U.S. Customs

An FMCS mediator assisted representatives of the Customs Service and the National Treasury Employees Union with their negotiations for an initial contract covering 11,000 employees in Southern California, Arizona and Nevada. Negotiations had already been in progress for over five months at the time of the mediator's initial contact with the parties, and he ascertained that five of 40 articles had been resolved.

The mediator urged the parties to continue bargaining, and advised them of the availability of mediation if no significant movement was made. After another

Table 1. Number of employees in Federal service units

Number of Employees	Number of Units	Percent
0-24	. 33	7%
25-49	. 67	14
50-99	. 83	17
100-249	. 113	24
250-499	. 58	12
500-749	. 36	8
750–999	. 26	5
1,000-2,499	. 41	9
2.500-4,999		2
5,000-9,999	. 7	1
10.000 and over	. 4	1
	479	100%

Table 2. FY 1975. Unions utilizing FMCS in Federal service disputes

Union	No. of Cases	Percent
AFGE	. 267	56%
NFFE	. 60	13
NAGE	0.4	7
ANA	4.0	3
IAM	4.0	3
IFFP	1.0	2
IAFF		2
MTC	-	1
Laborers	0	1
IBEW	0	1
NTEU		1
SEIU	-	1
Assn. of Civ. Tech	- >	
Op. Engrs		
AFTE		3
IFTPE		
=		
OCAW	0	
IBT		6
Unions with 1 case ea		
	479	100%

month of negotiations during which one additional article was resolved, FMCS assistance was requested.

Joint conferences were scheduled, and in three successive days (and nights) a three-year agreement was concluded.

Veterans Administration Hospitals

An American Federation of Government Employees Union Local was certified in 1969 to represent approximately 700 employees in the Wadsworth and Brentwood Hospitals in Los Angeles. The parties had never negotiated an agreement in the five years the union represented the employees at these VA hospitals, and labor relations were highly unstable.

In March of 1975, two mediators from the FMCS Los Angeles field office con tacted the parties in an effort to initiate bargaining for an initial contract.

The mediators worked with agency and union officials at the bargaining table in 16 sessions over a two-month period A two-year agreement was reached afte many long and hard bargaining sessions

Following negotiations, the mediator entered into an extensive program o technical assistance to assist the partie in improving their relationship during th term of the agreement.

U.S. Army

Fort Leonard Wood, Mo., is a larg Army training center. The Nations Association of Government Employee (NAGE) represents about 300 worker who are paid from non-appropriate funds of the Army through monies received from service clubs, recreation centers and post exchanges.

The initial contract negotiations wer

Table 3. FY 1975. Cases by Federal agency

Department of the Army	83
Veterans Administration	67
Department of the Navy	61
Department of the Air Force	51
Health, Education and Welfare	48
Department of Interior	26
Department of Agriculture	21
Department of Transportation	16
Housing and Urban Development	14
General Services Administration	12
Department of Justice	10
U.S. National Guard	10
U.S. Treasury Department	9
Small Business Administration	7
Department of Commerce	5
Defense Supply Agency	4
Defense Mapping Agency	3
Government Printing Office	3
National Aeronautics & Space Admin.	
(NASA)	2
ACTION	2
Consumer Product Safety Commission	2
Other	23
	479



Table 4. FY 1975. Federal service cases by state

State	No. of Cases	State	No. of Cases
California	56	South Dakota	7
District of		Arkansas	6
Columbia	37	Indiana	6
Texas	28	Kentucky	6
Virginia	23	Oregon	6
Florida	19	South Carolina .	6
Colorado	18	Hawaii	5
Washington	16	lowa	5
Illinois	16	Kansas	5
Maryland	15	Minnesota	5
Ohio	15	New Mexico	5
Missouri	14	Rhode Island	5
New York	12	Massachusetts .	6
Georgia	11	Nevada	4
Pennsylvania	11	Wyoming	4
Tennessee	11	Nebraska	3
Oklahoma	10	West Virginia	3
Louisiana	9	Wisconsin	3
Michigan	9	Connecticut	2
North Carolina .	9	Idaho	2
Alabama	8	Maine	2
Alaska	8	New Hampshire	2
Arizona	8	Delaware	1
New Jersey	8	Puerto Rico	1
Utah	8		479

slow to begin, and the mediator remained in telephone contact throughout two months of ground rules negotiations and three months of bargaining for a labor agreement.

The parties requested FMCS assistance to resolve such issues as work schedules, promotions, and grievance and arbitration procedures.

A mediator assisted in two joint conferences which resulted in a comprehensive two-year agreement.

U.S. Treasury

The Plate Printers' Union represents 170 employees in the Bureau of Printing and Engraving in Washington, D.C. Although an initial agreement was negotiated in 1964, the agency and the union were bargaining on their first renewal contract.

After 44 bargaining sessions, FMCS entered the negotiations and convened a joint conference. In the first series of meetings, the mediator assisted the parties in settling several difficult questions concerning pay.

Negotiations continued on other items with some progress, until a total of 21 meetings resulted in a comprehensive two-year agreement.

General Services Administration

The American Federation of Government Employees Union and Region 3 of the General Services Administration had been bargaining for a master agreement within the region covering various units composed of carpenters, elevator mechanics, operating engineers and other crafts totalling over 1,500 employees.

A mediator joined the negotiations and found that little progress had been made.

He advised both sides that more effort should be made in direct bargaining without his assistance and withdrew from the negotiations.

The parties met on several occasions, but little progress was recorded. As a result, the union requested the services of the Federal Service Impasses Panel.

The Panel, upon review of the case, concluded that no substantial efforts at bargaining had occurred, and it referred the parties back to mediation.

A representative from the FMCS national office joined the negotiations and chaired six sessions. All issues were resolved and a two-year agreement was reached.

U.S. Navy

Mare Island Naval Shipyard and the Federal Employees Metal Trades Council, representing over 5,000 workers of the Vallejo, Calif., facility, had been attempting to negotiate an agreement for over two years.

During the second year of negotiations, the issues began to escalate until it was determined that high level agency and union representatives should join the bargaining. In addition, a representative of the national office of FMCS entered the dispute.

The parties bargained intensively for five days, the last three involving 'round-the-clock' sessions. These marathon negotiations were concluded with the union accepting the agency's last offer. However, when the agreements were reduced to final language, four issues remained unresolved. Although a mediator returned to the bargaining table with the parties, no solution to the problem could be

found.

The Navy referred the dispute to the Federal Service Impasses Panel. A Panel factfinder met with the parties and determined that additional mediation by FMCS might resolve the issues. An FMCS regional coordinator joined the Panel factfinder and an agreement was reached through the mediation process.

U.S. Air Force

Early in the negotiations between the American Federation of Government Employees and Eglin Air Force Base, Florida, it became apparent that mediation would be needed. The mediator remained in telephone contact with both sides to keep abreast of any new developments with respect to the contract negotiations for this 2,800 employee unit.

After two months of maintaining liaison with representatives of the union and the agency, the mediator's services were requested. This led to a long series of meetings over a period of several weeks.

Because the 42 unresolved issues involved numerous questions of negotiability, the mediator determined that FMCS regional assistance would be beneficial. A regional coordinator entered the negotiations, and after two days of meetings, many of the open issues were settled.

The unresolved issues were submitted to the Federal Service Impasses Panel for resolution. While the case was pending at the Panel, the parties negotiated a set tlement of all pending matters to reach a new three-year agreement.

FMCS convened 16 joint conference during these protracted negotiations.



Iter years of difficult and tempestuous bargaining, the Federal Aviation Administration and the Professional Air Traffic Controllers Organization agreed a contract following several months of intense mediation efforts at the national office.

State and Local Sector Planning

FMCS assistance in state and local labor-management dispute cases almost doubled in FY 75. In FY 74 the Service closed 140 cases; in FY 75 the Service closed 264. In doing so Federal mediators held 841 joint and separate meetings. Of the 264 cases, 207 involved direct participation at the bargaining table by the mediator and 218 were closed with an agreement having been reached. There were 26 strikes.

Public education disputes accounted for the greatest percentage of cases. Negotiations took place in 31 states and the District of Columbia. See tables 5 through 10.

The following summary cases are typical of the range of public sector disputes handled by the FMCS in FY 75.

University of Missouri

The main campus of the University of Missouri at Columbia employs 7,500 workers, 1,650 of which are represented by the Laborers' Union.

University management and union bargaining representatives had become stalemated in their negotiations. Both sides were receptive to FMCS assistance, and a joint conference was scheduled.

No progress was achieved at the opening session. Economic issues, especially wages, were in dispute. Two weeks later another meeting was convened by the mediator. Through joint and separate conferences, several improvements in fringe benefits were worked out, and tentative settlement was reached on a one-year contract. The union membership voted to ratify the settlement by a large margin.

Table 5. Number of employees in state and local units

Number of Employees	Number of Units	Percen
0–24	. 31	12%
25–49	. 36	14
50-99	. 50	19
100-249	. 73	28
250-499	35	13
500-749	. 8	3
750–999	8	3
1.000-2,499	4.7	6
2.500-4,999		1
5,000–9,999	_	1
10.000 and over		
	264	100%

Table 6. FY 1975. Unions utilizing FMCS in state and local disputes

Union No.	of Cases	Percent
NEA	88	33%
AFSCME	32	12
IBT	20	8
IAFF	18	7
AFT	14	5
Op. Engrs	13	5
ATU	8	3
IBEW	7	3
SEIU	7	3
ANA	6	2
Laborers	6	2
IAM	4	1
Combination	3	1
OPEIU	3	1
CWA	2	1
Tri Trades Council	2	1
Unions with 1 case each	31	12
Official with 1 case cach	264	100%

Memphis Light, Gas and Water

Many unresolved issues in the negotiations between the City of Memphis Light, Gas and Water Division and the International Brotherhood of Electrical Workers prompted a joint request to FMCS for assistance.

A mediator from the Memphis field office of FMCS became involved in the negotiations over a month ahead of the expiration date of the existing agreement covering 2,400 workers. The possibility of a strike appeared to pose a substantial threat to a city of over a million people, especially in view of the labor relations history between the City and this Union.

Due to workload requirements, it was necessary for another mediator from the Memphis field office to enter the negotiations on those days when the assigned mediator could not be present. Gradually, the number of non-economic items was narrowed, and the parties' attention was directed to economic issues.

Mediation sessions intensified and continuous meetings were held from after Christmas Day through New Year's Day. Negotiations broke off on January 2; however, the mediators reconvened the parties on the same day and continued to hold meetings on a daily basis Although a strike commenced, the mediators kept the parties in joint conference until agreement was reached seven day after the strike began.

The FMCS played a significant role in these extremely difficult negotiations meeting with the parties 42 times in a effort that finally resulted in a new three year contract.

San Antonio Transit System

After contract negotiations between the San Antonio Transit System and the Amalgamated Transit Workers stalled, an FMCS mediator contacted representatives for both sides by telephone and expressed concern that a probable work stoppage would have a direct, adverse effect on the city. He offered the services of the FMCS, which were rejected by the parties.

The strike occurred, a temporary injunction was issued against the 420 employee unit, and a stiff fine was levied against the union by the Texas Court. In addition, 21 union members were jailed.

The mediator continued to press for entry into the dispute and he met sepaately with each side on four occasions while the strike was in progress and naintained daily telephone contact with he parties. In addition he met with the nayor's administrative assistant and the nvolved District Court judge in an atempt to break the deadlock.

After three weeks of liaison with the parties and other concerned city officials, he mediator formally entered the negoiations. Two days of meetings produced total package settlement. The union nembership voted to ratify the package with the proviso that the 21 jailed union nembers be released. The members were eleased and an orderly return to work was achieved.

les Moines School System

The Des Moines school system encomasses 2,100 teachers and another 1,500 mployees, and 40,000 students in 80 chools. The Des Moines Education As-



sociation represents the large majority of teachers and the American Federation of Teachers represents the balance. School system management and the employee organizations do not have a formal contract.

The parties, however, had drafted a document that provided in the event of a dispute, the chief judge of the District Court would select a mediator. When a dispute developed, the Judge called upon a mediator from the Des Moines FMCS field office who agreed to assist the parties.

The mediator met with the parties in numerous joint and separate sessions over five days and an agreement was reached. The school board approved the settlement which provided improvements for the teachers during the new school year.

Cook County Hospitals

This dispute involved negotiations between the Illinois Nurses Association, representing over 900 members at facilities in the Chicago area, with the Health and Hospitals Governing Mission of Cook County.

Negotiations were complicated because of a recent settlement with the licensed practical nurses which the INA was trying to surpass. The mediator made many efforts to break the logjam with no success.

Finally after 13 consecutive hours of frustrating negotiations, he managed to break the deadlock and five hours later, at 4 a.m., an agreement was reached.

During the 18-hour negotiating session, the mediator kept the parties at the bargaining table, denying their requests for

Table 7. FY 1975. State and local government cases by function of government

unction	No. of Cases	Percent
Schools	109 56 24 ks . 19 16 11 10 8 4	42% 22 9 7 6 4 3 3 2
Other		
	264	100%

Table 8. FY 1975. State-local cases by type of government

Туре	No. of Cases	Percent
Schools and Higher Education City State County Special District	97 33 12	46% 36 12 5 1



Increasingly active public sector bargaining made the topic a subject of national debate. During nationwide radio broadcast originating from the Kennedy Center in Washington, Jerry Wurf, predent of the American Federation of State, County and Municipal Employees, makes a point who Rep. Philip Crane (R.-Ill.) listens.



a recess until the following day. This approach proved successful in creating the pressure on both sides that led to the two-year agreement.

Fort Smith, Arkansas

A contract covering 300 city workers whose unit is represented by the American Federation of State, County and Municipal Employees was being renegotiated by the union and the City of Fort Smith, Ark.

An FMCS mediator was asked to observe a bargaining session because of the likelihood of a job action arising out of the negotiations. The mediator agreed to attend a session but not to actively mediate the dispute.

The parties continued to bargain with the mediator observing. A week later, both sides asked the mediator to take an active helping hand.

He held joint and separate conferences for three days covering every section in the contract. Tentative agreement was reached on all economic and non-economic issues, however, the union membership rejected the settlement.

The mediator then convened another series of meetings, assisting the parties in refashioning the packing. Again it was presented to the union membership, and this time it was accepted.

Ironically, several years earlier these parties were involved in a recognition dispute in which the State Supreme Court ruled that the city had no obligation to bargain with the union. Other cities in Arkansas have relied on that decision as a basis for not bargaining with city employees, with resultant strikes, slowdowns and picketing. The

City of Fort Smith, however, met and bargained voluntarily with its employees, and has arrived at mutually acceptable labor-management agreements without any disruptions of public service.

Tacoma School District

A strike by 2,000 teachers, represented by the Tacoma Alliance of Classroom Teachers (Tacoma, Wash.) occurred prior to the parties' request for FMCS assistance.

A joint conference was scheduled by the Service six days after the work stoppage began. A local court had issued a temporary restraining order in an attempt to end the strike, and contempt citations and fines had been levied against the union and its members.

An FMCS regional director and mediator chaired six joint conferences which resulted in a one-year agreement. Both FMCS representatives worked closely with the involved Superior Court judge and this coordinated approach to the problems significantly contributed to the settlement of the strike, with all pending legal sanctions dropped.

Midway through the new agreement, several disputes arose concerning the interpretation and application of certain contract provisions agreed to in the negotiations.

The FMCS regional director and mediator were again requested to assist in the resolution of these mid-contract problems. One joint conference proved to be all that was necessary for a settlement of the unresolved problems. In addition the mediators worked with both sides to establish an ad hoc committee of union and management personnel to

Table 9. FY 1975. State and local government cases by occupation of workers

Occupation	No. of Cases	Percent
Teachers	106	40%
Unidentified	65	25
Production & Maintenance	46	17
Fire	16	6
Police	8	3
Transportation Workers	. 8	3
Nurses	_	2
Clerical	5	2
Combination	5	2
	264	100%

deal with specific problems that might arise in the future under the terms of the contract.

Hawaii State and Counties

Statewide negotiations covering 1,150 firefighters, represented by the Hawaii Fire Fighters Association, provided for final offer selection arbitration by agreement of the parties. Through this procedure, if both sides could not arrive at a mutually satisfactory resolution of their problems, the unresolved issues would be submitted to an arbitrator who was empowered to select either the State management's position in its entirety or the union's total proposal for settlement of the dispute.

Before submitting their dispute to final offer selection arbitration, FMCS was called upon in an attempt to negotiate a settlement rather than to submit to such a third party process. A mediator met with both sides over four days and assisted the parties in narrowing the issues to one difference dealing with pay increments during the contract.

As a result of an agreement not being reached, the parties submitted their final offers to an arbitrator who ultimately rendered a decision which resulted in a one-year agreement being signed by the parties.

Table 10. State-local cases by state

State	No. of Cases	Percent
Illinois	94	35.6%
Ohio	25	9.5
lowa	16	6.2
Washington	13	4.9
Missouri	12	4.5
Kansas	11	4.2
Delaware	9	3.4
Montana	9	3.4
Alaska		3.0
Idaho		3.0
Vermont	7	2.7
California	_	1.9
New Hampshire	5	1.9
Florida		1.5
Hawaii	4	1.5
Tennessee	4	1.5
Virginia		1.5
Arkansas	_	1.1
Indiana		1.1
New Mexico	, 3	1.1
South Dakota	. 3	1.1
Colorado		.8
Maine	. 2	.8
New Jersey	_	.8
8 states with 1 each .		3.0
	264	100%



Chapter IV

Health Care

The structure of health care bargaining hanged substantially in FY 75 with the nactment by Congress of Public Law 3-360. This amendment to the National abor Relations Act established new rocedures for health care industry barnining and extended coverage to an stimated three million employees of rivate nonprofit health care institutions hat previously were exempted.

The amendment had a significant imact on the FMCS. From August 26, 1974, hen the law took effect to June 30, 1975, the Service recorded 1,400 health tre cases. A comparison of total health tre in past years is difficult because for to the law no distinction was made

between health care and other private sector disputes. A rough estimate of the impact can be gauged, however, from a survey conducted at the time the law was passed. That survey showed 140 health care cases in progress. Since the law the FMCS has averaged 500 active health care cases.

Of the 1,400 cases recorded in FY 75, 906 were closed during the year and 494 carried over into FY 76. Of the total 1,400 cases, Boards of Inquiry were established in 54, and 37 involved work stoppages. However, in cases which involved BOI's, only four subsequently involved work stoppages. The low total of work stoppages suggests the law is working well, especially when the limited experience the Service and the parties have had under its provisions is taken into account.

Background

The exclusion of the large private nonprofit segment of the health care industry from the provisions of the NLRA had created problems. As employee organizing efforts increased, neither labor nor management could turn to the National Labor Relations Board for elections or certification of bargaining units. The result too frequently turned out to be confusion, competition among labor organizations and a resort to work stoppages to gain initial recognition and a collective bargaining agreement. Extending the NLRA to private nonprofit hospitals and rest homes solved this problem.

At the same time, the increasing unionization of both proprietary and private nonprofit health care institutions and the

growing militancy of employees challenging the traditional pattern of low wages in many of these institutions created another problem: an increased potential for work stoppages with the possibility of serious impact on the delivery of health care services. So in extending NLRA coverage to private non-profit health care institutions, Congress also prescribed new and more stringent bargaining procedures for the entire health care industry.

The provisions include:

- Mediation by the FMCS of health care disputes;
- The authority of the National Director of the FMCS to establish Boards of Inquiry in health care disputes;
- A longer period of bargaining in renegotiating existing contracts; and,
- A 10-day strike notice by a labor organization in advance of a work stoppage.

The FMCS Experience

Passage of the amendment required the Service to take a number of actions. First, the Office of Technical Services prepared facts and figures on the number of health care employees and institutions covered by the legislation, the extent of unionization and some estimate of the number of health care cases that the law would generate for the Service. Second, mediators were informed about the law and its provisions. Third, a policy for determining under what conditions Boards of Inquiry should be established and how those Boards should be constituted had to be drawn up; and

along with this, a systematic method for receiving and processing health care cases at the regional and national level had to be established. Fourth, the Office of Information prepared a booklet explaining the new law for employees and employers.

In determining the extent of unionization, OTS found that the highest concentration of organized health care institutions existed in the Northeast, the upper Midwest and the West Coast—the lowest concentration in the South and Southwest. A breakout of health care cases by regions bears this out. Of the 1,400 cases, 395 were in Region 1; 127 in Region 2; 26 in Region 3; 215 in Region 4; 151 in Region 5; 45 in Region 6, and 441 in Region 7.

The heaviest burden thus fell in Regions 1 and 7 while 3 and 6 experienced virtually no impact by comparison.

The Special Provisions

Of the special bargaining procedures (See Appendix C for the complete text of the law), two-Boards of Inquiry and 10-day strike notice — are new and unique. The extended bargaining time frame simply consists of the parties notifying each other 90 instead of 60 days prior to the expiration of a contract if either desires to modify or terminate an existing agreement, and notifying the Service 60 instead of 30 days prior to the expiration of a contract if a dispute exists. The requirement that the FMCS mediate health care disputes means that the Service assigns a mediator to all health care cases, but whether active mediation is required depends on the dispute.



The Board of Inquiry provisions say that a Board may be established if "in the opinion of the director of the Federal Mediation and Conciliation Service a threatened or actual strike or lockout affecting a health care institution will, if permitted to continue or occur, substantially interrupt delivery of health care in the locality concerned."

If a Board is to be established it must be created within 30 days after the FMCS receives a notice of a dispute, or at least 30 days prior to the expiration of an existing agreement, whichever date would occur later. In the case of an initial agreement, such a board is established within 10 days after the Service receives notice of a dispute.

The Board has 15 days to make a written report to both parties, stating its finding of fact and recommendations fo a settlement. In all cases, such recommendations are non-binding on the parties.

The Service has operated on the prem ise that Boards should only be appointed when the circumstances surrounding dispute clearly meet the criteria that work stoppage "would substantially interrupt the delivery of health care" and then only when it appears that a Boar would help, not hinder, bargaining; thu Boards were appointed in only 54 of the total 1,400 cases, or only about 4 percent of the time. Usually a Board consists of one person although on occasion two- and three-member Boards have been used.

The 10-day strike notice provision was intended to provide hospital and heal care management time to make arrang nents for outside patient care prior to 1 work stoppage. While it can be given inytime during the 60-90 day extended pargaining time frame, it can not be implemented until the expiration of an existing agreement; in the case of an nitial contract, however, it can not be given any sooner than 30 days after the PMCS has been notified in writing that a lispute exists.

low the Law Has Worked

The amendment has improved stability n health care bargaining, established a inform structure of bargaining for both roprietary and private nonprofit hospitals and created safeguards for patient are in the event of a work stoppage. The low number of work stoppages—37—during the year compares quite favorbly with the overall strike incidence in he private sector. Yet problems remain.

During the first year both sides, but specially management, lacked skilled, xperienced bargainers. This temporary ondition will correct itself as time asses.

Another problem is the role played by hird party payers such as insurance ompanies, government medical care prorams and third party rate regulators, uch as boards in some states that set taximum hospital charges. These beind-the-scene forces have substantial ontrol of the revenue that can be raised y health care institutions and must be taken into consideration in any negotation for increased wages, even when the health care management fully agrees tat a wage increase is justified and eccessary.



The health care amendment precipitated far reaching discussions of its impact. William J. Abelow, left, executive director and general counsel of the League of Voluntary Hospitals and Nursing Homes of New York, and Leon Davis, president of the National Union of Hospital and Health Care Employees, exchange opinions.

The Health Care Advisory Committee

To tackle these and other problems the Service announced in FY 75 that it was establishing a Health Care Advisory Committee to consist of 14 persons from both sides of the bargaining table in the health care industry to meet periodically and make recommendations to the Service and in other ways to assist in finding answers to problems in collective bargaining in this industry. In seeking input from the health care industry, the FMCS appointed seven labor and seven management representatives from organizations and unions which have been especially active in the health care industry.

No meetings were held in FY 75, the determination being made that the FMCS should have a year of experience behind it before calling a meeting of the committee. Members have been appointed, however, and the first meeting is scheduled for August 1975.

Summary

In addition to the law and its provisions, FY 75 was a year of other changes in health care collective bargaining. Organizing continued. The American Nurses Association and its state affiliates shifted their image from that of a strictly professional association to that of an association with deep interests in collective bargaining as well. The interns and residents of New York struck over hours and working conditions. In short, strong parallels between what took place in the public sector area of education during the 1960's began taking place in the private sector of health care.

In a rare departure from the norm in labor law, the health care amendment

seemed to come at the right moment, at the time when these changes were being felt in earnest, and it provided the vehicle for the Service to play a constructive role in bridging the gap between labor and management. The capsule cases that follow highlight some of the activity in this field in FY 75.

Strong Memorial Hospital

The first health care dispute in which a Board of Inquiry was appointed under the new law involved initial contract negotiations between Strong Memorial Hospital, the largest and most modern such facility in Western New York, and the National Union of Hospital and Health Care Employees, District 1199.

Despite some difficulties, the negotiations concluded without a strike. Negotiations had begun under the auspices of the New York State Mediation Board. An arbitrator was appointed and a hearing was in progress when the Federal health care amendment became law, superseding state statutes. The hospital maintained that the arbitration procedure had been rendered invalid while the union wanted the arbitration to continue.

The Service resolved the problem by determining that a Board of Inquiry should be appointed in the case and naming the arbitrator, who was already fully familiar with the dispute, to serve as the board. Although his findings no longer carried the weight of arbitration, they did serve as the basis for a resumption of negotiations under the direction of an FMCS mediator.

A settlement was soon reached. Later, however, different interpretations gave

rise to renewed problems. The union filed a 10-day strike notice and the hos pital charged the union with bargainin in bad faith.

The mediator called the parties bac together again and after intensive negotiations, the two sides agreed to go t arbitration with the remaining differences. The strike notice and the unfailabor practice were withdrawn. Thre weeks later a new contract was signed

New York Interns

On March 15, 1975, 3,500 interns an residents at 10 New York hospitals wer on strike. The walkout ended four day later when the Committee of Interns an Residents voted to accept a modific final offer made by the New York Leagu of Voluntary Hospitals.

The dispute is noteworthy for a number of reasons. First, it was the firstrike of its kind by physicians in U. history. Second, the issues leading to the strike had to do primarily withours, working conditions and patiencare rather than wages. Third, the negliations were complicated and involve the interns' committee and both the League and the City of New York separate contracts. Fourth, it represents one of the first major tests of the heal care amendment.

The FMCS became involved in the dispute some four months prior to the strike after a long period of protraction that fruitless negotiations. The first attion the Service took was to determine whether a Board of Inquiry, as prescribed by the amendment, was in order

Given the special services supplied the hospitals involved, the hardship a

confusion that would result if a walkout forced transfer of patients to other already overcrowded hospitals in the area and considering that private physicians would be called in from their own practices to assist in struck hospitals, thereby neglecting their own patients, it was decided that a Board should be appointed.

The Board began holding its hearing anuary 13 and submitted its findings in early February.

These findings were used as the basis upon which to resume further negotiations under the direction of the FMCS regional director. Still no solution was ound and on March 15 the Committee ordered a strike at 10 of the 11 hospitals hat it represented.

A representative from the national ofice joined the talks and round-the-clock pargaining continued until the employers nade their final offer on limiting hours and grievance procedures on out-of-title work. The offer was not totally satisfacory to the Committee, but was submitted of a vote by the membership that same lay and accepted, ending the strike.

The participation of the Service proved nstrumental in keeping the negotiations oing, and the provisions of the amendment, tested for the first time in a major trike by physicians, proved workable.

leattle Nurses

A last-minute settlement reached 15 inutes before a strike deadline kept 200 Seattle area nurses from walking ff the job.

A field mediator from the Seattle ofe helped prevent what would have been the second major West Coast nurses strike of the year by helping the two sides—the Washington State Nurses Association and the Seattle Area Hospital Council—reach agreement on seven issues during the final day of bargaining.

The nurses a week before had rejected by nine to one a "final offer" by the Council. Working against the pressure of the strike deadline, the negotiators hammered out a compromise package that won approval by approximately four to one.

Baltimore Hospitals

One of the larger hospital strikes occurred in Baltimore when District 1199E of the National Union of Hospital and Health Care Employees struck three hospitals: Johns Hopkins, the Greater Baltimore Medical Center and Maryland General Hospital. The strike lasted 10 days and was finally resolved through mediation.

No Board of Inquiry was established. The negotiations initially involved the union and six hospitals. Three of the hospitals settled prior to the contract expiration date.

Circumstances immediately prior to the expiration date made it impossible for negotiations to be conducted on a regular basis. The determination was made that without significant negotiations in advance of a Board, it would be of little value. In addition, the large number of hospital beds in the Baltimore area reduced the risk of a serious lapse of health care in the event of a strike.

The pattern established in the earlier settlement, the pressure of the strike, and

mediation efforts combined to bring about an agreement on a new two-year contract.

Kaiser Hospitals and Clinics

A three-day strike by 4,500 members of the Service Workers International Union against six hospitals and 26 clinics operated in the Los Angeles area by Kaiser Permanente ended when both sides accepted settlement recommendations put forth by a panel of FMCS mediators.

The strike began after two months of negotiations. During that time a Board of Inquiry was established and made a report. The report did not satisfy the parties and the union voted six-to-one to strike when the old contract expired.

Disturbances on the picket lines marred the strike and increased public pressure on the parties and the mediators to reach an accord. Intensive negotiations began the day before the strike and lasted round-the-clock until the panel of mediators made their recommendations. After several hours of consideration, the union accepted. The hospitals initially rejected the recommendations, but reconsidered after mediators announced that bargaining would be shifted to Washington, D.C.

Chapter V

Analysis of dispute mediation

During Fiscal Year 1975, the FMCS began implementing programs designed to achieve those objectives contained in the recommendations set forth in the final report of the National Commission for Industrial Peace. These efforts are in part, reflected in the statistics presented in this chapter.

Mediators perform many activities in a year, all of which are aimed toward achieving and maintaining industrial peace throughout the country. Most of this activity has been categorized into three separate and distinct endeavors presented in Table 11. Undeniably, the greatest effort is expended in handling dispute cases. As in Fiscal Year 1974, the number of dispute cases handled in 1975 represented an increase over the number of dispute cases handled the previous fiscal year. For the second year in a row, the number of joint meeting dispute case closings were at an all time high, reaching 8,795 cases in 1975. Nonjoint meeting dispute case closings also reached a new high level, that of 10,976 cases.3

In giving credence to the idea that the

goal of achieving and maintaining industrial peace can best be accomplished within a relationship marked by trust, and confidence, the FMCS has developed an in-depth technical assistance program aimed at improving upon these qualitative aspects of the parties' relationship. The total of 935 technical assistance cases for Fiscal Year 1975 represents nearly a 46 percent increase in this activity over Fiscal Year 1974.⁴

Another important activity performed by mediators is promoting the various services and programs of FMCS to members of the labor-management community at large. This activity is reflected in the category of information and education cases in Table 11 which declined, somewhat, by 30 cases from Fiscal Year 1974. This is primarily a result of increased emphasis and effort devoted to dispute and technical assistance cases.

In sum, total mediation activity for Fiscal Year 1975 amounting to 21,385 cases represents both the highest level of effort ever reached and a 6 percent increase in total activity over Fiscal Year 1974.

¹ Recommendations and membership of the National Commission for Industrial Peace appear in the FMCS Fiscal Year 1974 annual report, see pp. 67-68.

² Statistical data appearing in this chapter have been presented in the same manner and form as they were in the 1974 annual report. This is the result of a conscious effort to keep the data comparable from one fiscal year to the next.

³ Joint and nonjoint cases are terms to describe FMCS involvement in dispute situations. Joint cases are those in which mediation conferences were held with both parties present and separate meetings with only one party to a dispute. Nonjoint meeting cases are those situ-

ations in which mediators follow closely from assignment until final closing requiring only informal mediation and contact with no joint conferences.

Beginning Fiscal Year 1976, the FMCS implemented on a sample basis a new method of measuring dispute mediation activity called case administration. If this new measurement proves to more adequately reflect the composite activity of what a mediator does, it will be substituted for the present method of reporting dispute cases beginning Fiscal Year 1977.

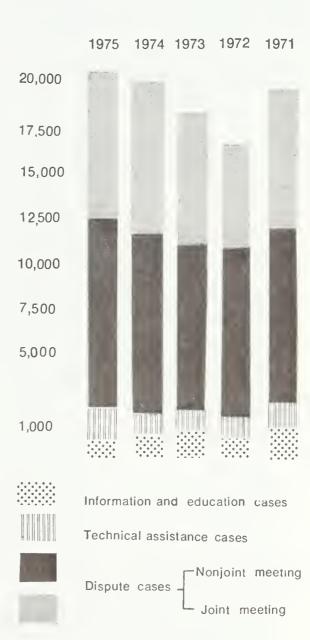
⁴ Highlights of this activity along with a detailed discussion of specific technical assistance programs are provided in Chapter V, on Technical Services.

Table 11. Number and percent of closed dispute, technical assistance and information and education cases participated in by FMCS mediators for fiscal years 1971-1975

				All	mediatio	n activit	У			
	197	75	19	74	19	73	197	72	19	71
Type of case	Total number of cases	Percent of fiscal year total								
Total	21,385	100.0	20,160	100.0	18,238	100.0	17,248	100.0	19,285	100.0
Dispute cases	19,771	92.4	18,809	93.3	16,930	92.8	15,994	92.7	17,608	91.3
Joint meeting* .	8,795	41.1	8,479	42.1	7,238	39.7	7,215	41.8	7,991	41.4
Nonjoint meeting**	10,976	51.3	10,330	51.2	9,692	53.1	8,779	50.9	9,617	49.9
echnical assistance cases†	935	4.4	642	3.2	515	2.8	523	3.0	851	4.4
nformation and education cases††	679	3.2	709	3.5	793	4.4	731	4.2	826	4.3

- * Cases in which joint and separate mediation conferences were held.
- * Cases followed closely by mediators from assignment until final closing, requiring only informal mediation with no joint conferences.
- † Cases comprise training, education, consultation and problem-solving activities performed by mediators for representatives of labor and management, other neutrals in dispute resolution, professional associations and academic institutions.
- † Cases include activities such as informational addresses to public and professional groups and associations; interviews with newspapers, magazines, radio and television media; film showings, and appearances and participation in conventions, seminars and similar occasions.

Number of closed dispute, technical assistance and information and education cases



Since approximately one-half of the cases handled by FMCS involve collective bargaining agreements of three-year duration, a comparison of mediation activity on a three-year cycle basis rather than a yearly comparison appears to be the most meaningful. See Tables 12 and

13. As a proportion to the total number of applicable closed joint meeting cases, three-year contracts accounted for nearly 46 percent in Fiscal Year 1975, while in Fiscal Year 1974, they amounted to slightly over 50 percent of the total. This year, agreements of two-year duration

were more numerous as a percent of the total of applicable closed joint meeting cases than they were in Fiscal Year 1974. One-year agreements and those of other duration remained approximately in the same proportion to the total for both Fiscal Years 1974 and 1975.

Table 12. Number and percent of FMCS closed joint meeting dispute cases for which duration of collective bargaining agreement was reported by industry by sector for fiscal year 1975

tive bargaining	Total					Length o	of contract			
	number of ap-		1	year	2 y	ears	3 y	rears	Other*	
Industry by sector	closed joint meeting cases	Percent of total applicable cases	Number of cases	Percent of industry total	Number of cases	Percent of industry total	Number of cases	Percent of industry total	Number of cases	Percent of industry total
Total	8,054 * *	100.0	1,271	15.8	2,175	27.0	3,695	45.9	913	11.3
Private sector	7,759	96.3	1,153	14.9	2,075	26.7	3,646	47.0	885	11.4
Manufacturing	4,664	57.9	561	12.0	1,244	26.7	2,375	50.9	484	10.4
Construction	533	6.6	130	24.4	171	32.1	172	32.3	60	11.3
Public utilities, transportation, communications	569	7.1	148	26.0	131	23.0	214	37.6	76	13.4
Retail, wholesale, service industries	1,930	24.0	307	15.9	515	26.7	848	43.9	260	13.5
Mining, agriculture, finance.	00	0.8	7	11.1	14	22.2	37	58.7	5	7.9
Public sector	205	3.7	118	40.0	100	33.9	49	16.6	28	9.5
Federal government		1.5	18	15.1	54	45.4	34	28.6	13	10.9
Nondefense		0.8	13	19.1	29	42.6	15	22.1	11	16.2
Defense		0.6	5	9.8	25	49.0	19	37.2	2	3.9
State government		0.2	4	22.2	7	38.9	2	11.1	5	27.8
Local government	1	2.0	96	60.8	39	24.7	13	8.2	10	6.3

^{*} Total of 913 agreements comprised of contracts less than 12 months in duration and those whose length falls between 1 and 2 years, between 2 and years, and greater than 3 years. See Figure 9.

^{**} No information on contract duration was provided for the balance of 741 closed joint meeting cases. Of this total 657 were private sector cases and were public sector cases.

On the basis of a three-year cycle comparison, the number of closed joint meeting cases increased a significant 21.9 percent over the previous three-year period, Fiscal Year 1972. In fact, the reader may note from Figure 13 that an increase occurred in each three-year period over the previous three-year span except for Piscal Year 1972, which showed a decline in the number of closed joint meeting cases. The basic reason for this was

the existence of the Economic Stabilization Program which established rigid guidelines for negotiated wage and fringe benefit increases. Economic issues are an often major cause of impasse between the parties in their collective bargaining negotiations and mediation which is normally the mechanism used to resolve the disputes, was thus superseded by wage controls. As a result, many parties adopted the maximum mandatory limits

placed on wages and fringe benefits and sought contracts of shorter duration in anticipation that the Economic Stabilization Program would end. Wage and price controls were removed the last day of Fiscal Year 1974 and all through Fiscal Year 1975 many of the parties at the bargaining table expressed a need to catch up for the loss in purchasing power during the control period and the subsequent period of high inflation.

Table 13. Number and percent change in number of closed FMCS joint meeting dispute cases for three year intervals by sector and industry for fiscal years 1960, 1963, 1966, 1969, 1972 and 1975.

					Closed	joint mee	eting case	S			
	1960	19	963	19	1966		969	1972		19	975
Sector and Industry	Total number of cases	Total number of cases	Percent change from previous 3 years	Total number of cases	Percent change from previous 3 years	Total number of cases	Percent change from previous 3 years	Total number	Percent change from previous 3 years	Total number of cases	Percent change from previous 3 years
Total	6,475	7,013	+ 8.3	7,836	+11.7	8,028	+ 2.4	7,215	-10.1	8,795	+21.9
Private sector	6,439	7,013	+ 8.9	7,836	+11.7	8,000	+ 2.1	6,990	-12.6	8,416	+20.4
Manufacturing	4,471	209	+12.0	5,591	+11.6	5,578	- 0.2	4,730	- 15.2	5,060	+7.0
Retail, wholesale, service industries	1,098	1,034	- 5.8	1,116	+ 7.9	1,203	+ 7.8	1,170	- 2.7	2,094	+79.0
transportation	289	329	+13.8	453	+37.7	552	+21.8	521	- 5.6	638	+22.5
Construction	472	542	+14.8	601	+10.9	579	- 3.7	498	-14.0	557	+11.8
Mining, agriculture, finance	109	99	- 9.2	75	-24.2	88	+17.3	71	-19.3	67	- 5.6
dublic sector**	N.A.†	N.A.†	N.A.†	N.A.†	N.A.†	28	_	225	+703.6	379	+68.4

Not applicable

Includes all Federal, State and local government cases

Table 14. Frequency and percent change in contract issues in closed FMCS joint meeting cases for fiscal years 1971-1975

fiscal years 19	71-1975								
	1971	19	72	19	973	19	74	19	75
Contract issues	Total number of issues	Total number of issues	Percent change from previous fiscal year	Total number of issues	Percent change from previous fiscal year	Total number of issues	Percent change from previous fiscal year	Total number of issues	Percent change from previous fiscal year
Total	38,410	35,066	_ 8.7	35,408	+ 1.0	39,894	+12.7	40,856	+ 2.4
Duration of contract	l	4,621 1,396 1,938 2,339	4.97.911.310.1	4,781 1,437 2,007 2,365	+ 3.5 + 2.9 + 3.6 + 1.1	5,448 1,388 2,249 2,693	+13.9 - 3.4 +12.1 +13.9	5,422 1,471 2,338 2,705	- 0.5 + 6.0 + 4.0 + 0.4
Job classification	1,429 5,620	1,995 1,446 5,046 1,748	- 8.9 + 1.2 -10.2 + 1.8	2,032 1,594 4,922 1,694	+ 1.8 +10.2 - 2.5 - 3.1	2,257 1,582 5,833 1,650	+11.1 - 0.7 +18.5 - 2.6	2,387 1,719 5,839 1,683	+ 5.8 + 8.7 + 0.1 + 0.2
Union security	. 5,444 . 7,481	1,183 4,663 6,602 1,634	- 7.2 -14.3 -11.7 + 2.1	1,321 4,445 6,547 1,738	+11.7 - 4.7 - 0.8 + 6.4	1,204 5,318 7,882 1,818	- 8.9 +19.6 +20.4 + 4.6	1,325 5,315 8,155 1,924	+10.0 - 0.1 + 3.5 + 5.8
Other contract issues	. 493	455	– 7.7	525	+15.4	572	+ 8.9	573	+ 0.2

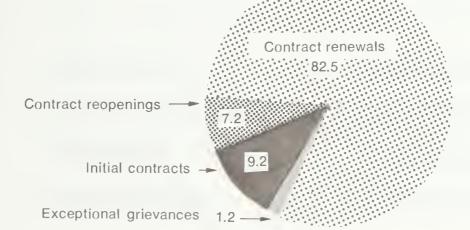
Table 14 shows that four contract areas are the most important issues, wages, duration of contract, vacations and holidays as one category and pensions, insurance, welfare as another separate ssue. While wages was still an important contract issue in fiscal year 1975, non-money provisions including union security, management prerogatives, grievince procedure-arbitration and working conditions showed strong gains.

The bulk of dispute cases handled by the FMCS involve collective bargaining agreements up for renewal as shown in Table 15. Initial contracts have over the last several years remained around the same percentage. For both Fiscal Years 1974 and 1975, initial agreements accounted for 9.1 percent of the total disoute caseload. Contract reopenings are he type of negotiations which involve a imited number of issues specified as repargainable areas during the primary ound of negotiations. Reopeners typicaly involve further economic improvenents during the life of the agreement. Is such, reopeners oftentimes are utiized by the parties in place of negotiatng shorter term agreements. It is not urprising then to note that reopeners ncreased by 0.6 percent in Fiscal Year 975 over Fiscal Year 1974, given the end f wage controls. As in previous years, xceptional grievances, those in which MCS agrees to become involved, renain by design a very small proportion I the total of dispute work engaged in v mediators.

Table 15. Number and percent of closed joint and non joint meeting dispute cases participated in by FMCS mediators by type of negotiation for fiscal year 1975

			FMCS	dispute r	mediation	cases	
			Joi meeting		Non meeting		
Type of negotiation	Total number of dispute cases	Percent of total dispute cases	Number of cases	Percent of total dispute cases	Number of cases	Percent of total dispute cases	
Total	19,771	100.0	8,795	44.5	10,976	55.5	
Initial contracts	1,807	9.1	895	4.5	912	4.6	
Contract renewals	16,311	82.5	7,057	35.7	9,254	46.8	
Contract reopenings	1,422	7.2	623	3.2	799	4.0	
Exceptional grievances	231	1.2	220	1.1	11	0.1	

Percent of closed joint and non joint meeting dispute cases



As for contract duration of initial and renewal agreements, this information is shown in Table 16.

Table 16. Number and percent of applicable closed joint meeting cases participated in by FMCS mediators involving negotiations of initial, renewed and other contracts by length of contract for fiscal year 1975

1975											
	Total number		Type of contract negotiation								
	of applicable	Percent	Initial contract		Renewal	contract	Other*				
Length of contract	closed joint meeting cases	of total applicable cases	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total			
Total	8,054**	100.0	657	8.2	6,776	84.1	621	7.7			
1 year	1,271	15.8	129	1.6	865	10.7	277	3.4			
2 years	2,175	27.0	152	1.9	1,897	23.5	126	1.6			
3 years	3,695	45.9	225	2.8	3,381	42.0	89	1.1			
·	913	11.3	151	1.9	633	7.9	129	1.6			
Other duration Less than 1 year	142	1.8	27	0.3	62	8.0	53	0.7			
Between 1 and 2 years		3.2	50	0.6	159	2.0	48	0.6			
Between 2 and 3 years		4.4	57	0.7	280	3.5	18	0.2			
Greater than 3 years	1	2.0	17	0.2	132	1.6	10	0.1			

^{*} Total of 621 comprised of contract reopener cases and exceptional grievances

^{**} No information on contract duration was provided for the balance of 741 closed joint meeting cases

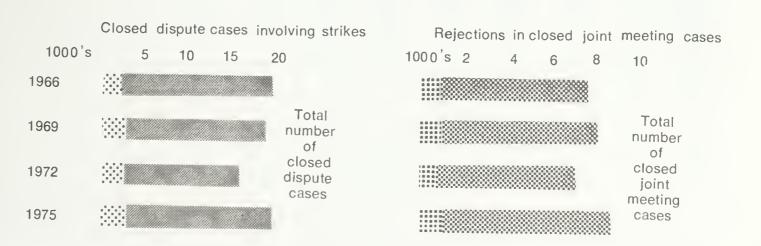
Tables 17 and 18 reflect on a three-year cycle basis, the percentage of closed joint meeting cases involving strikes and rejection of tentative agreements reached by the parties' negotiating committees respectively. These percentage rates for Fiscal Year 1975 may appear to be somewhat high but in comparison to their previous counterpart periods, these percentages seem to represent what normally can be expected.

Table 17. Number and percent of closed FMCS dispute mediation cases involving strikes by three year intervals for fiscal years 1966, 1969, 1972, 1975

Fiscal year	Total number of closed dispute cases	Total number of closed dispute cases involving strikes	Percent of total dispute cases involving strikes
1966	19,184	2,064	10.8
1969	18,964	2,849	15.0
1972	15,994	2,250	14.1
1975	19,771	3,005	15.2

Table 18. Number and percent of closed FMCS joint meeting cases involving rejection of tentative settlement by three year intervals for fiscal years 1966, 1969, 1972 and 1975

Fiscal year	Total number of closed joint meeting cases	Total number of rejections in closed joint meeting cases	Rejection cases as a percent of closed joint meeting cases
1966	7,836	918	11.7
1969	8,028	991	12.3
1972	7,215	732	10.1
1975	8,795	976	11.1



Fiscal Year 1975 marks the last year of operation on seven regional areas. Beginning July 1, 1975, the FMCS geographically divided Region 7 and added an eighth region locating that regional office in Seattle, Washington. Table 19 depicts

the distribution of dispute case activity by region and state. Unlike Fiscal Year 1974 which had Region 5 leading the nation in both categories of dispute work, this year saw Region 7 take the lead in both the number of joint and nonjoint meeting cases. One other change in territory took place beginning Fiscal Year 1975 and that was the shifting of Puerto Rico and the Virgin Islands from the jurisdiction of Region 3 to Region 1.

Table 19. Number and percent of closed FMCS dispute mediation cases by region and state for fiscal years 1973-1975

			Joint meet	ting cases				No	n joint me	eting case	S	
	1975			1974 1973			19	1975		1974		973
State by FMCS region	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number ot cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	8,795	100.0	8,479	100.0	7,238	100.0	10,976	100.0	10,330	100.0	9,692	100.0
Region 1 Connecticut Maine Massachusetts New Hampshire New Jersey* New York Puerto Rico** Rhode Island Vermont Virgin Islands**	114 33 291 33 207 472 — 31 18	13.6 1.3 0.4 3.3 0.4 2.3 5.4 0.3 0.2	1,209 88 43 236 38 239 520 — 33 12	14.3 1.0 0.5 2.8 0.4 2.8 6.1 — 0.4 0.1	1,125 99 35 242 29 207 453 — 41 19	15.5 1.4 0.5 3.3 0.4 2.9 6.3 — 0.6 0.3	1,508 123 56 289 32 288 646 — 57 15	13.7 1.1 0.5 2.6 0.3 2.6 5.9 0.5 0.1	1,576 132 45 306 37 307 675 — 60 14	15.3 1.3 0.4 3.0 0.4 3.0 6.5 — 0.6 0.1	1,731 137 35 336 42 335 743 1 84 19	17.9 1.4 0.4 3.5 0.4 3.5 7.7 † 0.9 0.2

^{*} Geographical area of state divided between two FMCS regions.

Table 19. Number and percent of closed FMCS dispute mediation cases by region and state for fiscal years 1973-1975 . . . continued

			Joint mee	ting cases				N	on joint me	eting case	es	
	19	75	19	74	19	73	19	75	1	74		73
Region and state	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	8,795	100.0	8,479	100.0	7,238	100.0	10,976	100.0	10,330	100.0	9,692	100.0
Region 2	1,090 27	<u>12.4</u> 0.3	1,077 27	12.7	860 26	11.9	1,324 25	12.1	1,258	12.2	1,100	11.3
District of Columbia Maryland New Jersey*	80 101 143	0.9 1.1 1.6	52 106 130	0.6 1.2 1.5	48 96 92	0.7 1.3 1.3	85 172 129	0.8 1.6	57 164	0.3 0.5 1.6	21 53 160	0.2 0.5 1.6
Pennsylvania	10 606 75	0.1 6.9 0.8	9 627 75	0.1 7.4 0.9	8 478 57	0.1 6.6 0.8	3 735	1.2 † 6.7	128 6 672	1.2 0.1 6.5	96 6 583	1.0 0.1 6.0
West Virginia	48 707	0.5 8.0	51	0.6	55	0.8	135 40	1.2 0.4	147 53	1.4 0.5	101 80	1.0 0.8
Alabama	134	1.5	784 134 1	9.2 1.6 †	692 110 2	9.6 1.5	1,038 117	9.5	1.209 132	11.7	988	10.2
Florida Georgia Kentucky*	99 85 15	1.1 1.0 0.2	132 94 17	1.6 1.1 0.2	115 109 14	1.6 1.5 0.2	187 158 15	1.7 1.4	220 257	2.1 2.5	186 160	1.9 1.6
Louisiana Mississippi North Carolina	74 33 70	0.8 0.4 0.8	72 49 64	0.8 0.6 0.7	74 32 50	1.0 0.4 0.7	167 46	0.1 1.5 0.4	20 131 51	0.2 1.3 0.5	21 144 54	0.2 1.5 0.6
South Carolina	14 172 9	0.2 2.0 0.1	21 188 11	0.2 2.2 0.1	13 163 10	0.7 0.2 2.2 0.1	95 44 203 6	0.9 0.4 1.8	109 43 243 2	1.1 0.4 2.3	81 37 194	0.8 0.4 2.0
egion 4	1,189	13.5	1,147	13.5	936	12.9	1,511	13.8	1,648	15.9	1,468	15.1
Kentucky* Michigan* Ohio*	155 409 616	1.8 4.6 7.0	10 140 362	0.1 1.6 4.3	7 116 303	0.1 1.6 4.2	10 148 519	0.1 1.3 4.7	10 150 569	0.1 1.4 5.5	15 164 436	0.1 1.7 4.5
	010	7.0	635	7.5	510	7.0	834	7.6	919	8.9	853	8.8

^{&#}x27;Geographical area of state divided between two FMCS regions.

Less than one-tenth of one percent and therefore not recorded.

Table 19. Number and percent of closed FMCS dispute mediation cases by region and state for fiscal years 1973-1975 ... continued

continu	eu											
			Joint meet	ing cases				No	n joint me	eting case	es	
	19	75	19	74	19	73	19	75	19	74	19	73
Pagion and state	Number of cases		Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Region and state Total	8,795	100.0	8,479	100.0	7,238	100.0	10,976	100.0	10,330	100.0	9,692	100.0
Region 5	1,540 585 256 20 362 31 18 268	17.5 6.6 2.9 0.2 4.1 0.3 0.2 3.0	1,613 618 274 17 398 31 12 263	19.0 7.3 3.2 0.2 4.7 0.4 0.1 3.1	1,357 525 258 11 271 26 12 254	18.7 7.2 3.6 0.1 3.7 0.4 0.2 3.5	1,778 828 337 18 140 10 29 416	7.5 3.1 0.2 1.3 0.1 0.3 3.8	1,748 772 326 12 165 23 10 440	16.9 7.5 3.2 0.1 1.6 0.2 0.1 4.3	1,683 693 318 19 186 10 16 441	7.1 3.3 0.2 1.9 0.1 0.2 4.5
Wisconsln Region 6 Arkansas* Illinois* lowa Kansas Missouri Nebraska Oklahoma Texas*	1,438 75 87 238 126 428	16.4 0.8 1.0 2.7 1.4 4.9 0.7 0.9 3.9	1,359 79 72 238 119 454 67 64 266	16.0 0.9 0.8 2.8 1.4 5.3 0.8 0.7 3.1	1,165 71 55 178 108 349 45 51 308	16.1 1.0 0.8 2.5 1.5 4.8 0.6 0.7 4.3	1,443 91 85 210 139 395 87 111 325	13.1 0.8 0.8 1.9 1.3 3.6 0.8 1.0 3.0	1,337 65 92 183 138 369 78 108 304	12.9 0.6 0.9 1.8 1.3 3.6 0.8 1.0 2.9	1,332 81 54 198 116 385 87 102 309	13.7 0.8 0.6 2.0 1.2 4.0 0.9 1.0 3.2
Region 7 Alaska Arizona California Colorado Hawaii Idaho Montana Nevada New Mexico Oregon Texas* Utah Washington Wyoming	28 40 782 93 31 46 66 51 33 142 19 17 272	1.1 0.3 0.5 0.7 0.6 0.4 1.6 0.2 0.2 2.3.1	7	0.7 7.5 1.0 0.4 0.5 0.6 0.3 0.3 1.1 7 0.1 2.0.1 3.2		0.2 1.2 0.2 0.3 2.2	2,374 28 56 1,235 189 35 45 72 57 37 211 10 91 284 24	21.6 0.3 0.5 11.2 1.7 0.3 0.4 0.7 0.5 0.3 1.9 0.1 0.8 2.6 0.2	1,554 15 71 831 120 33 25 19 50 27 135 5 50 158 15	15.0 0.1 0.7 8.0 1.2 0.3 0.2 0.5 0.3 1.3 † 0.5 1.5 0.1	1.390 12 47 711 136 33 21 42 17 26 118 9 55 152	14.3 0.1 0.5 7.3 1.4 0.3 0.2 0.4 0.2 0.3 1.2 0.1 0.6 1.6 0.1

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.

Under the Taft Hartley Act and its nendments, the parties are required to e notification to the FMCS in advance contract expirations whether they be r renewal or reopener agreements. nion certifications are received by ACS from the National Labor Relations and for the private sector and from the

Labor Management Services Administration of the Department of Labor for the federal sector. Requests by the parties for mediation on their own motion are also received and in a few instances the FMCS moves on its own to intercede in a dispute. The record of this activity is summarized in Table 20.

able 20. Notifications processed by the Service covering all types of mediation activity for fiscal year 1975

Receipt of notification	ons		Disposition of notifications		
otifications received during the year 30-day notices required by LMRA	91,812	98,515	Cases closed by mediators Joint meeting cases* Non joint meeting cases** Technical assistance cases† Information and education cases ††	8,795 10,976 935 679	21,385
Certifications	2,609 4,086		Cases closed administratively after inquiry by mediators Screened for lack of jurisdiction	645 3,787 787	5,219 16,276
ses pending at close of previous year		7,063	Consolidated with other notifications		56,151
			Cases pending at end of year Dispute cases, joint and non joint Technical assistance cases Information and education cases	6,403 126 18	6,547
ital notifications		105,578	Total notifications		105,578

Cases in which joint and separate mediation conferences were held.

Cases followed closely by mediators from assignment until final closing, requiring only informal mediation with no joint conferences.

Cases comprise training, education, consultation and problem-solving activities performed by mediators for representatives of labor and management, other neutrals in dispute resolution, professional associations and academic institutions.

Cases include activities such as informational addresses to public and professional groups and associations; interviews with newspapers, magazines, radio and television media; film showings and appearance and participation in conventions, seminars and similar occasions.

Finally, joint meeting or so-called active cases are closed out on the basis of either one of three types of reasons. As the reader can determine from Table 21, the vast proportion of cases are closed because the parties with the aid of mediation have mutually reached agreement over the issues in dispute.

Table 21. Basis for closing FMCS joint meeting cases in fiscal year 1975

Basis for closing Joint meeting cases	Number of cases	
Total	8,795	100.0
Agreement between parties	8,217	93.5
Withdrawn by the parties of negotiations suspended for other reasons		5.4
Referred to other government agencies .	. 100	1.1





stal negotiations went down to the wire der the glaring lights of national publicity.

Chapter VI

Technical Services

The Mission Statement of the Federal Mediation and Conciliation Service includes, "promoting the development of sound and stable labor-management relationships; developing the art, science and practice of dispute resolution; fostering constructive joint relationships of labor and management to leaders to increase their mutual understanding and solution of common problems."

Consistent with this philosophy, the Office of Technical Services and the mediator staff across the nation increased technical assistance activities by 46 percent in Fiscal Year 1975, conducting 939 separate cases.

The majority of these cases develop as a result of a mediator's prior involvement with the parties during a contract dispute. Even though a settlement is usually reached, the mediator becomes aware of latent problems affecting the day-to-day relationship between the parties, and frequently follows up the dispute case activity with an offer to help with a technical assistance program.

More and more, however, national organizations are initiating their inquiries to the Service, requesting technical assistance before serious problems develop. This trend has resulted from the increasing awareness within the labormanagement community of FMCS technical service programs and their usefulness in analyzing and correcting troublesome labor-management relationships.

A quote from LINK magazine, the publication of the Oscar Mayer Company, illustrates the value of this approach to one company.

"The FMCS course stresses basic labor-management relations. It's a program that's been around for a number of years but most of the time it was only used when a bad labor-management situation developed. Our situation wasn't bad... Both parties decided to try the course to make a good situation even better."

A program was presented at seven Oscar Mayer plants from coast to coast and praised by both parties.

The Office of Technical Services has worked closely with employers and labor organizations to develop so-called model program formats which are implemented and carried out in the regional offices through the professional staff mediators.

The Service strengthened this system by creating a system of regional coordinators, one in each region, to assist and supervise technical assistance activities. This has strengthened the ability of the Service to coordinate requests from companies or unions for training programs in more than one region.

Another source of interest in technical assistance has developed in the health care industry after that industry came under the jurisdiction of the Labor Management Relations Act in August 1974. Increasing organizing and bargaining in the public and federal sectors has also increased interest in technical assistance from government agencies and unions with large government employee memberships.

Recent economic conditions have also focused attention on such matters as productivity and its impact on collective bargaining.

The Service became involved in this area in working with the National Commission on Productivity and Work Quality. It has tailored a number of technical assistance programs toward this area, and produced a film, "A Better Way—Straight Talk About Productivity and People."

Rising costs have forced management in many instances to place a premium in negotiations on changing work practices to allow better cost controls and economies. This has led to new problems at the bargaining table which have become crises points in some negotiations.

In seeking to promote greater understanding of the need to attain better productivity and how labor and management can work together toward this end, the Service has cooperated with the National Commission in conferences held at Washington, D.C.; Decatur, Illinois; and Madison and Green Bay, Wisconsin.

Mediators have also been more and more frequently called upon to assist in resolving disputes rooted in the productivity problem.

One of the most significant accomplishments along this line occurred in Detroit where an agreement was reached between the Detroit Free Press and Local 18 of the International Typographers Union. The agreement guaranteed lifetime security for union members in exchange for allowing management to introduce automated equipment, plus bonuses in exchange for doing away with reset practices.

Relations by Objectives

The Relations by Objectives (RBO) program introduced during Fiscal Year 1975 has generated considerable interest and attention in the labor-management community. It has been widely publicized in both union and industry trade papers, the wire services, numerous national publications, including Business Week, whose editors wrote:

"The FMCS's involvement is part of an experimental program, called Relations by Objectives (RBO), in which the agency provides the expertise for prodding labor and management toward fundamental changes in their basic relationship. The program is aimed at helping employers and unions, hampered by rigid adversary procedures, to root out conflicts and establish new means of dealing with them. Under the supervision of federal mediators, union and management analyze their problems, decide what they would like to see in an ideal relationship, and discuss how to implement these goals."

RBO is an intensive program designed for and utilized in extreme cases of poor labor relationships. Thus far, ten RBO programs have been carried out and they have involved 24 federal mediators. Many times that number are in the planning stages. Responses from participants in the first series range from "cautious optimism" to one enthusiastic plant manager who, two months after their program, reported "it's a new day—I can't believe it."

Another summary of an RBO program was put into words by a local unior president who participated in an RBC program with the Georgia Pacific Company in Maine.

"With the help of the mediators,' said Irving Marshall, president o Paperworkers Local 27, "we de signed ourselves a 'roadmap' to follow in the coming months and years."

Labor-Management Committees

One of the most effective means of improving labor-management communication and relations is through the formation and operation of joint labor management committees. These committees enable labor and management to discuss any number of subjects free from the pressure of the bargaining table. These committees can take on various forms: in-plant committees, industrate committees, or area-wide committees made up of representatives from a number of companies and unions.

One of the Service's responses to the

National Commission for Industrial Peace report was to call a special conference of mediators to review the FMCS role in the formation of labor-management committees. The conference showed how extensively that FMCS mediators had cultivated the formation and development of these committees. Plans were formulated to increase mediator activity in helping to establish, contribute to and assist these joint labor-management committees.

During the past fiscal year, mediators articipated in 981 joint labor-management committee meetings. One of the lost innovative was developed at the army arsenal at Charlestown, Indiana, perated by International Chemical Insustries and Local 691 of the International Chemical Workers Union, where difficult set of negotiations had been companied by scores of grievances and pending arbitration cases.

Intensive meetings by the local mediaor in Louisville and the regional direcor in Cleveland with the parties resulted an eight-point program with a triparte Labor-Management Relations Panel.

The national director appointed a cominent private arbitrator as chairman I the panel with a broad mandate to ssist the parties in resolving outstanding grievances.

trea labor-management committees we attracted considerable interest as a able means of reversing high unemoyment caused by plant closings and

erasing a "bad labor image" in some communities. The Jamestown (N.Y.) Labor-Management Committee has attracted national publicity.

Many other committees, most of them either created through the efforts of federal mediators or strongly supported by them, function effectively in Chattanooga, Tennessee; Pittsburgh, Pennsylvania; South Bend, Indiana; Western Kentucky; Green Bay, Wisconsin; and the Upper Peninsula of Michigan. Generally, such committees do not get involved in labor disputes or strikes, but concentrate efforts on keeping communications open and on working toward mutually beneficial goals established by the committees.

The amendment to the National Labor Relations Act that extended its coverage to the health care industry prompted a large number of requests for training from hospitals, health care organizations, unions and others in this field.

FMCS developed programs for the American Hospital Association and the American Nurses Association and cooperated with a number of colleges and universities that were establishing courses in this field.

The growth of federal and public sector collective bargaining has resulted in a dramatic increase in technical assistance in these areas. Mediators were involved in 186 federal and public sector technical assistance cases. Thus about 20 percent of all technical assistance cases occurred in this area.

One of the outstanding programs during FY 1975 took place in Los Angeles. Cosponsored by FMCS and Pepperdine College, the conference on federal sector collective bargaining attracted 600 representatives from labor and management in a thorough review of this developing program.

Other significant federal sector training programs include those involving the St. Louis Labor-Management Task Force, the Defense Supply Agency in Detroit and HEW's Office of Civil Rights in New York. Similar programs in collective bargaining were developed for the National Federation of Federal Employees (NFFE), the American Federation of Government Employees (AFGE) and the National Park Service.

In the public sector, a two-day program designed by mediators in Philadelphia for the Fraternal Order of Police subsequently was repeated in Ocean City, Maryland; Louisville, Kentucky; Phoenix, Arizona, and New Orleans, Louisiana, for other lodges of the FOP.

Similarly, the Oscar Mayer program started in Philadelphia in cooperation with the Amalgamated Meat Cutters Union was so successful that it was repeated in Oscar Mayer plants in Chicago and Beardstown, Illinois; Madison, Wisconsin; Nashville, Tennessee; Davenport, Iowa, and Los Angeles, California.

Altogether federal mediators initiated and participated in 514 training programs during Fiscal Year 1975.



Professional Development

The Service has responded to the growth and complexity of collective bargaining in both public and private sectors of the Nation's economy with increased attention to the continuing educational needs of its professional staff. In addition, the agency has cooperated with other institutions in planning, administering and participating in programs designed to advance professional skills of dispute resolution.

Orientation Conference

Newly appointed mediators must complete an intensive orientation program on all aspects of the expanding role and responsibilities of the professional mediator. This program, held in Washington, serves as a background for the subsequent field training under the direction of the regional office.

The orientation program encompasses all aspects of dispute resolution through

formal presentations, panel discussions and simulated conflict situations. This program has attracted considerable attention from state and local agencies new to collective bargaining with the result that cooperative arrangements with these jurisdictions have resulted in attendance at these orientation programs by representatives from Kansas, Iowa, Florida, Georgia and Washington.

The policy of the FMCS is to encourage states and localities to develop effective third party assistance programs and to provide advice and counsel in attaining this objective.

Mediator Intern Program

The mediator intern program was initiated for select persons who lack the level of experience necessary to qualify them for the position of mediator, but have demonstrated potential capabilities for the Service. As a rule such candidates

have extensive educational background in industrial relations or labor law plus some experience in industrial relations. I is also an entry level for minorities and women whose experience is limited.

Two classes, totalling 15 persons, wen through these extensive five-month pro grams before being assigned to the fieloffices.

Regional Training

Each regional director supervises th training requirements for professionals administrative personnel and other supportive employees in the separate regions.

The range of training activity rur from executive courses for assistant regional directors to upgrading of essenticlerical skills for newcomers. Resource of other government agencies, univers ties and adult education centers are en

loyed in carrying through this program. 'he needs of the staff mediators are also let through regional and area confernces highlighting matters of prime confern to each particular region.

New mediators become engaged in ounterpart training. They are coupled with experienced mediators who are selected on the basis of their mediatory apability and teaching skill. Regional irectors assign the newcomers to a eries of staff members and a variety of egotiations as a method of providing a ride-based learning period.

Vorkshop Series

The changes and requirements of colctive bargaining in the mid-70's necestate continued professional development of the mediator staff. Workshops held for selected veteran mediators exchange new information and developments. Workshop speakers and panelts are selected from the ranks of field ediators as well as outside experts. Formal presentations serve as the starting point for a candid exchange of ideas, his invaluable input is a significant part the Service's planning and policy declopment.

This year the focus was on the "laboranagement committee" concept. The triety of L-M committee experiences nged from "in plant" committees to prove daily relationships to area laboranagement committees aimed at imoving a community's "labor climate". Onsiderable attention focused on the spact such committees can have on impoved productivity. The proceedings of e workshop series resulted in the publication of one of the most extensive "how

to" manuals in the field of labor-management relations.

Research and Technical Information

During the year, the research and technical information functions of the Office of Technical Services were formally organized in the Division of Research, Planning and Development. The Division's mission is to gather, organize and analyze technical information to support the agency's peacekeeping functions.

The Division is intended to serve as staff support to the Director, the regional management and several national offices as well as to the field mediators in their dispute and technical assistance activities. Information for use by the public is supplied by the Service's Office of Information.

Among its various activities, this Division prepares studies on developments in collective bargaining, on mediation activities and continuously reviews current applicable data developed or supplied by other organizations. In addition, specialized studies of major bargaining situations are prepared to maximize the effectiveness of the Service.

An adjunct function within the Division is the Technical Information Center which serves the double purpose of providing a central technical information resource function and servicing the Service-wide technical information system. The Center collects and maintains "off-the-shelf" information for use in supplying the informational needs of mediators for case assignments. In addition, the Center maintains a specialized national office library containing current industrial and labor relations data and

bargaining information. Designed as a quick retrieval system, the Center maintains contact with other information facilities both within and outside of Government as well as with labor organizations, trade associations and university industrial relations centers to maximize the amount and quality of information at the disposal of the individual mediator.

The Technical Information Center intends to assist the regions of the Service with the design and development of Resource Centers at the regional and field office levels and works with the regional offices in establishing procedures to facilitate the processing of information to the mediator in a timely fashion.

An illustration of the new directions taken by FMCS through this new Division was its sponsorship of a meeting on current labor relations research in the public sector. Because of the significant increase in this type of research, the Office of Technical Services sponsored a major conference among public sector research sponsors, researchers and users of this research. At this first meeting of these three groups, a start was made at sorting out what was being done in public sector research, what needed to be done, and how it might be more effectively reported and coordinated.

The work of the Research Division is limited to providing information for internal use within the Service. In providing adequate informational resources to the mediation staff, the interests of the parties and of the public will be more adequately served by more effective dispute resolution and technical assistance services.

Chapter VII

Arbitration

Rapid growth in demand for arbitration assistance continued in FY 75. Requests for panels increased 20.6 percent. The number of panels submitted to the parties rose 21.0 percent. And the number of arbitrators appointed to hear cases jumped an astounding 35.0 percent. See table 22.

These statistics document the fact that use of the arbitration process continues its steady growth of the past decade. The data indicate the confidence of labor and management in the arbitration process as an accepted method of resolving many types of labor-management disputes.

To handle this increasing workload, the Office of Arbitration Services added several new positions, including an Assistant Director of Arbitration Services.

In other areas, the office adopted the Code of Professional Responsibility for Arbitrators of Labor-Management Disputes. This new and more stringent code replaces the Code of Ethics and Procedural Standards for Labor-Management Arbitration approved by the Service in 1951. The code applies to all current members of the FMCS roster of arbitrators and to all applicants applying for admission to the roster.

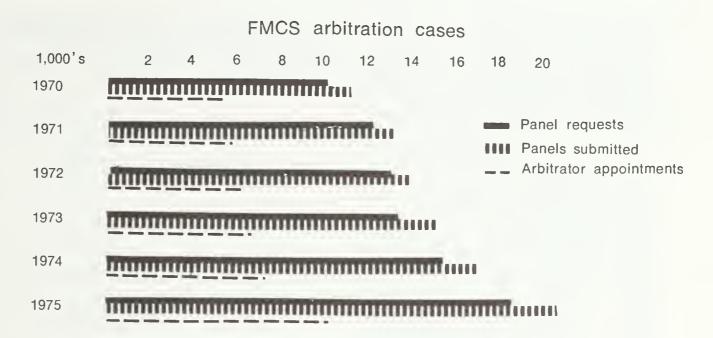
The Arbitration Services Advisory Committee met three times in FY 75. Among the major suggestions made by the committee was a revised set of rules and regulations for arbitration. Revisions were drafted during the latter part of the fiscal year and will be published in the Federal Register and become effective according to procedural requirements of the Federal Government. One of the key elements of the revisions suggested by the committee is a list of the criteria used to screen and select applicants for the roster.

The Office of Arbitration Services also participated in establishing the procedures to be used by the Bituminous Coal Operators Association and the United Mine Workers in creating a chief umpire and a panel of arbitrators for each of 18 districts, working under the umpire, to hear grievance disputes in the coal industry. This implements a new grievance system which hopefully will serve to reduce the frequency of wildcat strikes

The office worked with the Minister of Labor of the Government of Bermuda to assist the island nation implement the Bermuda Labor Relations Act of 1975. assisting the country in developing the functions and responsibilities of the chairman and deputy chairman of the Permanent Arbitration Tribunal established by the act, and in screening possible candidates for the posts.

In the latter part of the fiscal year, the Office of Arbitration Services joined with the University of Michigan, a labor union and a corporation to develop a program to qualify a limited number of arbitrators, with minimum experience in hearing labor disputes, to be admitted to the FMCS roster of arbitrators. The program is scheduled to begin in FY 76.

In addition, the Office of Arbitration Services took part in a number of programs sponsored by educational institutions, professional societies, labor unions management association, other disputeresolution agencies as well as conferences, seminars and workshops sponsored by the Service. This activity has the dual purpose of keeping the Service current with developments in the fields of arbitration and applicable labor law as well as acquainting others with the agency's programs in the arbitration area.



able 22. Number and percent change in number of panel requests and direct appointments, panels submitted and arbitrator appointments for fiscal years 1971 thru 1975

	1970	1971		1972		1973		1974		1975	
otivity	Total number	Total number	Percent change from previous fiscal year								
anel requests	10,055	12,327	+22.6	13,005	+5.5	13,626	+4.8	15,445	+13.3	18,619	+20.6
inels submitted	11,124	13,235	+19.0	13,842	+4,6	15,121	+9.2	16,952	+12.1	20,508	+21.0
bitrator appointments	5,318	5,759	+ 8.3	6,263	+8.7	6,665	+6.4	7,612	+14.2	10,278	+35.0

Closed Award Cases

During each fiscal year, the Office of Arbitration Services closes out those active cases for which they have received a copy of the award from the arbitrator. In the previous annual reports published on FMCS arbitration services, no effort was made to reconcile the number of cases activated in a given fiscal year with the number of cases closed in that same fiscal year. In effect, closed cases have been reported as part of the activity of the year in which the award was made even though the case was opened in a prior year. Often, this lack of information prevented detailed analysis of the data. To assist in balancing the reported figures, Table 23 has been included. This table provides current information on the number of cases closed according to the years in which they were opened.

Table 23. Number of arbitration award cases closed by FMCS in fiscal year 1971 thru 1975

	Total number of a	arbitration cases	Cases closed as a percent of total number		
Fiscal Year	initiated in fiscal year	ed closed initia			
1971	5,759	4	0.07		
1972	6,263	6	0.1		
1973	6,665	83	1.2		
1974	7,612	2,313	30.4		
1975	10,278	2,078	20.2		

^{*} A total of 4,484 arbitration cases were closed during fiscal year 1975 and 8,200 are currently outstanding. This number outstanding 8,200 includes those cases initiated during 1975 as well as those from prior years.

Analysis of Closed Award Cases

Arbitration cases are of two broad types: rights cases involve disputes over he interpretation and application of the various provisions of the existing collecive bargaining agreement. This type is nost commonly known as grievance arpitration. The other type, interest arbiration, involves the determination of one or more terms of an initial, renewed or eopened contract. In this type of case, he arbitrator is asked by the parties to ssue a binding decision on the condiions of the contract itself. Typically, as een in Table 24, the majority of all abor arbitration in the United States is rievance arbitration in which the arbirator issues binding decisions interpretng clauses of the collective bargaining greement in response to alleged violaions.

Among the options available to the parties when they take a case to arbitraion are the opportunities to have a trancript taken of the arbitration hearing nd to file briefs with the arbitrator. The riefs may be pre-hearing or post-hearng submissions, or both. On occasion, he arbitrator may request that a trancript be made or that briefs be subnitted. Frequently, transcripts or briefs re prepared at the request of the arties. Since these documents often conribute to the cost of arbitration, an analsis of their use in cases heard under the ules of the FMCS was made. Table 25 hows that in slightly more than oneburth of the closed award cases the arties elected to have a transcript taken hile in exactly two-thirds of those me closed award cases the parties hose to file briefs.

Table 24. Type of arbitration cases comprising total of award cases closed in FY 75

Type of case	Total number	Percent of total
Total	4,484	100.0
Rights cases *	3,490	77.8
Interest cases †	16	0.4
Cannot be determined .	978**	21.8

^{*} Defined as those cases involving issues in dispute over interpretation and/or application of the existing collective bargaining agreement

Table 25. Incidence of transcripts taken and briefs filed in arbitration award cases closed by FMCS in FY 75

Transcripts and briefs	Total number of award cases closed in fiscal year 1975	Percent of total
Transcripts Taken Not taken Other*	4,484 1,207 3,099 178	100.0 26.9 69.1 4.0
Briefs	4,484 2,986 1,453 45	100.0 66.6 32.4 1.0

^{*} Information not reported by the arbitrator on his or her fee and award statement submitted to the Office of Arbitration Services.

[†] Defined as those cases involving the determination by the arbitrator of the contract terms themselves in initial, renewed or reopened collective bargaining agreements

^{**} Of this total, 974 cases were unidentifiable as to type due to inadequate reporting by the arbitrator and in the remaining 4 cases due to an inability by the Office of Arbitration Services to locate the case file.

Table 26. Number and percent change in number of issues reported in applicable FMCS closed arbitration award cases for fiscal years 1973, 1974 and 1975.

1973, 1974 and 1973.					
	1973	19	74	197	5
Specific issues	Total number of issues	Total number of issues	Percent change in number of issues from previous fiscal year	Total number of issues	Percent change in number of issues from previous fiscal year
Total	4,255	5,341	+ 25.5	5,243	<u>- 1.8</u>
Overtime other than pay* Distribution of overtime Compulsory overtime Other Seniority Promotion and upgrading Layoff, bumping and recall Transfer Other Union officers** Strike and lockout Working conditions*** Discrimination Management rights Scheduling of work	48	1,255 237 208 29 708 246 248 104 110 30 18 59 203	+ 11.1 + 16.2 + 11.2 + 70.6 + 8.4 + 21.2 - 6.1 + 8.3 + 22.2 + 11.1 - 5.3 + 22.9 + 13.4	1,347 249 198 25 26 691 260 234 94 103 20 18 45 48 115 161	+ 7.3 + 5.1 - 4.8 - 13.8 - 2.4 + 5.7 - 5.6 - 9.6 - 6.4 - 33.3 no change - 23.7 - 20.7
ECONOMIC: WAGE RATES & PAY ISSUES	86 119 113 82	663 ———————————————————————————————————	+ 14.1 + 3.5 - 1.7 + 23.9 + 17.1 + 22.1	729 53 107 11 92 101 108 58 199	+ 9.9

^{*}Overtime pay issues included under category Economic: Wage rates and pay issues

^{**}Included in this classification are issues concerning superseniority and union business

^{***}This classification also includes issues concerning safety

Table 26. Number and percent change in number of issues reported in applicable FMCS closed arbitration award cases for fiscal years 1973, 1974 and 1975 . . . continued

	1973	19	974	1	975
Specific issues	Total number of issues	Total number of issues	Percent change in number of issues from previous fiscal year	Total number of issues	Percent change in number of issues from previous fiscal year
FRINGE BENEFIT ISSUES	161	176	+ 9.3	164	- 6.8
Health and welfare Pensions Other	51 24 86	55 23 98	+ 7.8 - 4.2 + 13.9	66 21 77	+ 20.0 - 8.7 - 21.4
DISCHARGE & DISCIPLINARY ISSUES	1,302	1,857	+ 42.6	1,812	2.4
TECHNICAL ISSUES	400	499	+ 24.7	260	<u>- 47.9</u>
Job posting and bidding Job evaluation	400	499	+ 24.7	56 204	
SCOPE OF AGREEMENT	186	211	+ 13.4	202	- 4.3
Subcontracting	95	93	- 2.1	104	+ 11.8
Jurisdictional disputes Foreman, supervision, etc Mergers, consolidations, accretion	40 42	45 63	+ 12.5 + 50.0	33 57	- 26.7 - 9.5
other plants	9	8	- 11.1	8	no change
ARBITRABILITY OF GRIEVANCES	252	397	+ 57.5	497	+ 25.2
Procedural	143	200	+ 39.9	235	+ 17.5
Substantive Procedural and substantive	70 29	121 62	+ 72.9	140	+ 15.7
Other	10	14	+113.8 + 40.0	90 32	+ 45.2 + 128.6
NOT ELSEWHERE CLASSIFIED †	243	283	+ 16.5	232	18.0

pissues are brought to arbitration, the minal step of the grievance procedure, whyear. Of the 4,484 closed award es reported in FY 75, information perting to specific issues was available 464 cases. Table 26 depicts the issues an attempt has been made to group cific issues under broad categories for purpose of analysis. As shown by the 1, the issues of wages has constantly olved more cases than any other topic. sions, insurance, welfare, vacations, (days and contract duration, in addito wages, account for 61 percent of

t is recognized that a wide variety

[†]Issue classification as such non-existent in this fiscal year

all cases submitted to arbitration. Cases involving more than one issue account for 80 percent of all cases closed in FY 75 as shown in Table 27.

Normally, it has been the experience of the Office of Arbitration Services to close out a successively greater number of arbitration cases each fiscal year primarily because of the increased activity in the preceding as well as the current twelve month period.

The pattern reported for the current fiscal year is somewhat different. In spite of the fact that the number of cases opened in FY 75 has increased by 20.6 percent, the total number of cases closed

that year amounted to six less than were closed in 1974. The decrease in closed cases may be accounted for in the fact that a greater number of FY 75 cases have been carried over to the following year and because of the growing trend among the parties to agree to a settlement after arbitration has begun but before the award has been rendered.

Table 28 delineates the pattern of FMCS administered arbitration activity in the various regions of the United States. Of particular note is the large number of cases in the region composed of Illinois, Indiana, Michigan, Ohio and Wisconsin, a highly industrialized area.

Table 27. Number and percent of applicable arbitration award case closed in fiscal year 1975 involving single and multiple issues and number and percent of issues.

Single and multiple issue cases	Total number of applicable arbitration cases closed in fiscal year 1975	Cases as a percent of applicable total	Total number of issues	Percent of issues
Total	4,464*	100.0	5,244	100.0
Single issue cases	894	20.0	894	17.0
Multiple issue cases.	3,570	80.0	4,350	83.0

^{*} Of the total of 4,484 arbitration cases closed in fiscal year 1975, arbitrators failed to report on the number and types of issues involved in 20 cases. The decrease in closed cases may be accounted for by the fact that a large number of cases initiated in FY 75 have been carried over to the following year. In addition, there appears to be a growing trend among the parties to agree to a settlement after the arbitration process has begun but before the award has been rendered.

able 28. Number and percent change in closed arbitration award cases by region and state for fiscal years
1971 thru 1975

Closed arbitration award cases

)	1971	1	972	19	973		1974		1975
State and region	Total number of cases	Total number of cases	Percent change from previous fiscal year	Total number of cases	Percent change from previous fiscal year	Total number of cases	Percent change from previous fiscal year	Total number of cases	Percent change from previous fiscal year
Total New England Connecticut Maine Massachusetts New Hampshire Rhode Island	2,835 38 8 	3,432 	+ 21.1 + 92.1 + 187.5 + 60.0 * + 100.0	3,542 50 10 2 20 1 14	3.2 - 31.5 - 56.5 - 60.0 - 37.5 - 50.0 + 40.0	4,490 68 17 2 33 4 9	+ 26.8 + 36.0 + 70.0 + 65.0 - 300.0 - 35.7	4,484 68 14 3 33 4 11	1 - 17.7 + 50.0 * + 22.2
Vermont Aiddle Atlantic New Jersey New York Pennsylvania	3 367 94 124 149	1 466 97 161 208	- 66.3 + 27.0 + 3.2 + 29.8 + 39.6	3 471 99 159 213	+ 300.0 + 1.1 + 2.1 - 1.2 + 11.1	3 501 99 152 250	+ 6.4 - 4.4 + 17.4	3 471 93 154 224	- 6.0 - 6.1 + 1.3 - 10.4
Delaware District of Columbia Florida Georgia Maryland North Carolina South Carolina Virginia West Virginia	343 5 7 51 88 60 28 14 51 39	423 8 32 61 105 39 30 32 52 64	+ 23.3 + 60.0 + 357.1 + 19.6 + 19.3 - 35.0 + 7.1 + 57.1 + 2.0 + 64.1	464 20 77 129 64 31 35 54 50	+ 9.7 - 50.0 - 37.5 + 26.2 + 22.9 + 64.1 + 3.3 + 9.4 + 3.9 - 21.9	592 8 61 84 140 64 49 39 71 76	+ 27.6 +100.0 +305.0 + 9.1 + 8.5 + 58.1 + 11.4 + 31.5 + 52.0	595 8 72 96 112 77 45 30 91 64	+ .5 + 18.0 + 14.3 - 20.0 + 20.3 - 8.2 - 23.1 + 28.2 - 15.8
ast North Central	876 210 150 101 340 75	1,052 208 196 130 404 114	+ 20.1 	1,030 212 209 133 401 75	- 2.1 + 1.9 + 6.6 + 2.3 - 0.7 - 34.2	1,261 274 235 159 484 109	+ 22.4 + 29.3 + 12.4 + 19.6 + 20.7 + 45.3	1,340 277 219 158 569 117	+ 6.3 + 1.1 - 6.8 - 0.6 + 17.6 + 7.3

Table 28. Number and percent change in closed arbitration award cases by region and state for fiscal years 1971 thru 1975 . . . continued

Closed arbitration award cases

	1071	19	72	197	73	19	74	19	75
State and region	Total number of cases	Total number of cases	Percent change from previous fiscal year	Total number of cases	Percent change from previous fiscal year	Total number of cases	Percent change from previous fiscal year	Total number of cases	Percent change from previous fiscal year
West North Central lowa Kansas Minnesota Missouri Nebraska North Dakota South Dakota	193 34 24 30 92 10 3	247 47 25 41 116 17 1	+ 28.0 + 38.2 + 4.2 + 36.7 + 26.1 + 70.0 - 66.3	278 59 23 36 136 19 5	+ 12.6 + 25.5 - 8.0 - 12.2 + 17.2 + 11.8 + 500.0	353 70 28 49 191 11 2 2	+ 27.0 + 18.6 + 21.7 + 36.1 + 40.4 - 42.1 + 60.0	359 70 34 43 189 15 4	+ 1.7 + 21.4 - 12.2 - 1.1 + 36.4 +100.0 +100.0
East South Central Alabama Kentucky Mississippi Tennessee	372 78 86 27 181	419 84 112 26 197	+ 12.6 + 7.7 + 30.2 - 3.7 + 8.8	445 111 102 27 205	+ 6.2 + 32.1 - 8.9 + 3.9 + 4.1	548 137 147 42 222	+ 23.2 + 23.4 + 44.1 + 55.6 + 8.3	596 117 188 47 244	+ 8.8 - 14.6 + 27.9 + 11.9 + 9.9
West South Central Arkansas Louisiana Oklahoma Texas	330 44 70 37 179	393 62 66 62 203	+ 19.1 + 40.9 - 5.7 + 67.6 + 13.4	418 66 71 50 231	+ 6.4 + 6.5 + 7.6 - 19.4 + 13.8	593 102 87 96 308	+ 41.9 + 54.6 + 22.5 + 92.0 + 33.3	526 92 90 64 280	- 11.3 - 9.8 + 3.5 - 33.3 - 9.1
Mountain Arizona Colorado Idaho Montana Nevada New Mexico Utah Wyoming	22 8 7 4 11 11 2	92 17 15 8 2 17 28 2 3	+ 31.5 - 22.7 + 87.5 + 14.3 - 50.0 + 54.5 + 154.5 - 40.0	79 15 21 6 1 17 14 —	- 14.1 - 11.8 + 40.0 - 25.0 - 50.0 - 100.0 + 66.7	122 24 30 9 12 20 21 2	+ 54.4 + 60.0 + 42.9 + 50.0 + 1200.0 + 17.7 + 50.0 - 20.0	121 21 36 8 7 20 19 8 2	8 - 12.5 + 20.0 - 11.1 - 41.7 - 9.5 +300.0 - 50.0
Pacific	246	264 3 214 — 15 32	+ 7.3 + 200.0 + 3.4 - + 87.5 + 6.7	307 4 270 1 7 25	+ 16.3 + 33.3 + 26.2 + 100.0 - 53.3 - 21.9	452 1 379 — 22 50	+ 47.2 - 75.0 + 40.4 -100.0 +214.3 +100.0	407 2 351 2 15 37	- 10.0 +100.0 - 7.4 - 31.8 - 26.0
Other	. —	3 3	0	0	0		<u> </u>	1 -1	0

^{*} No change



Im Bethel, research director for the United Ine Workers, gestures as he makes a point out a new contract between the UMW and the IOA. Improved grievance resolution processes including arbitration hopefully will improve labor-management relations and reduce docat strikes in the coal industry.

Time and Cost Considerations in Arbitration ¹

Time Considerations

One of the continuing concerns about the arbitration function is the length of time ordinarily needed to take a case through the process. Practitioners often express concern that arbitrating a case takes more time each year. In analyzing the figures in this area, the arbitration process may be viewed as consisting of two phases: the pre-hearing phase which encompasses all steps prior to the hearing of the issues by an arbitrator and the post-hearing phase which consists of the time span between hearing the issue and the rendition of the award.

Over the years, observers have maintained that delays are not inherent in the process but they recognize that essentially unnecessary delays which have increased in both phases of the process have grown to such an extent that they threaten the value of arbitration itself. Thus, it is encouraging to note the trend toward a shorter overall time period in

processing and completing arbitration cases which is reflected in Table 29. Among the four steps comprising prehearing phase, there has been a notable decrease in the number of days it now takes the Office of Arbitration Services to respond to a panel request. Over the last two years, 1974 and 1975, this decrease in time has amounted to more than 75 percent in spite of the fact that the number of requests for panels during this same period has increased by 34 percent. The Office of Arbitration Services has accomplished this change by a combination of improved procedures, an increased and upgraded staff and through refining its data processing capability. In addition, other significant decreases reflected in required time are attributable to more expeditious handling of issues from the grievance stage through the request for a panel of arbitrators by the parties and in the handling of assigned cases by the arbitrators.

number of cases sampled are as follows: 1970, 722 cases; 1971, 719 cases; 1972, 850 cases; 1973, 870 cases; 1974, 742 cases; 1975, 444 cases.

¹ Information presented in this section is based on cases sampled from those administratively closed by the Office of Arbitration Services from fiscal years 1970 through 1975. The

Table 29. Average elapsed time in days and percent change in elapsed time per case for FMCS closed arbitration award cases sampled in fiscal years 1971 thru 1975

				Aver	rage elapse	ed time in	olved per	case*			
	1970	15	971	19	72	19	973	1974		4 1975	
Sequence of events	Average number of days elapsed	number of days	from previous fiscal	Average number of days elapsed	Percent change from previous fiscal year	Average number of days elapsed	Percent change from previous fiscal year	Average number of days elapsed	Percent change from previous fiscal year	Average number of days elapsed	Percen change from previou fiscal year
Total	. 245.6	250.9	+ 2.2	241.5	_ 3.7	257.1	+ 6.5	251.8	_ 2.1	223.2	-11.4
Pre-hearing phase	1000	203.8	+ 3.7	195.1	_ 4.3	208.4	+ 6.8	199.8	<u>- 4.1</u>	180.6	<u> </u>
Between grievance filing and request for panel		83.3	+ 2.3	75.1	- 9.8	84.7	+12.8	78.6	- 7.2	68.3	-13.1
Between panel request date and panel sent	7.8	11.1	+42.3	15.1	+36.0	15.7	+ 4.0	10.1	-35.7	5.9	-41.6
Between date panel sent and FMCS appointment of arbitrator	. 44.3	46.0	+ 3.8	43.8	- 4.8	45.7	+ 4.3	44.0	- 3.7	44.9	+ 2.0
Between date of appointment and date of hearing		63.4	+0.05	61.1	- 3.6	62.3	+ 2.0	67.1	+ 7.7	61.5	- 8.3
Post-hearing phase	10.0	47.1	_ 3.9	46.4	_ 1.5	48.7	+ 5.0	52.0	+ 6.8	42.6	<u>-18.°</u>
Between hearing date and date award rendered by arbitrator											

^{*} Based on sample of cases: for 1970, 722 cases; for 1971, 719 cases; for 1972, 850 cases; for 1973, 870 cases; for 1974, 742 cases; for 1975, 444 cases.

verage elapsed time in days and percent change in elapsed time per case for FMCS closed arbitration award ases sampled in fiscal years 1971 thru 1975

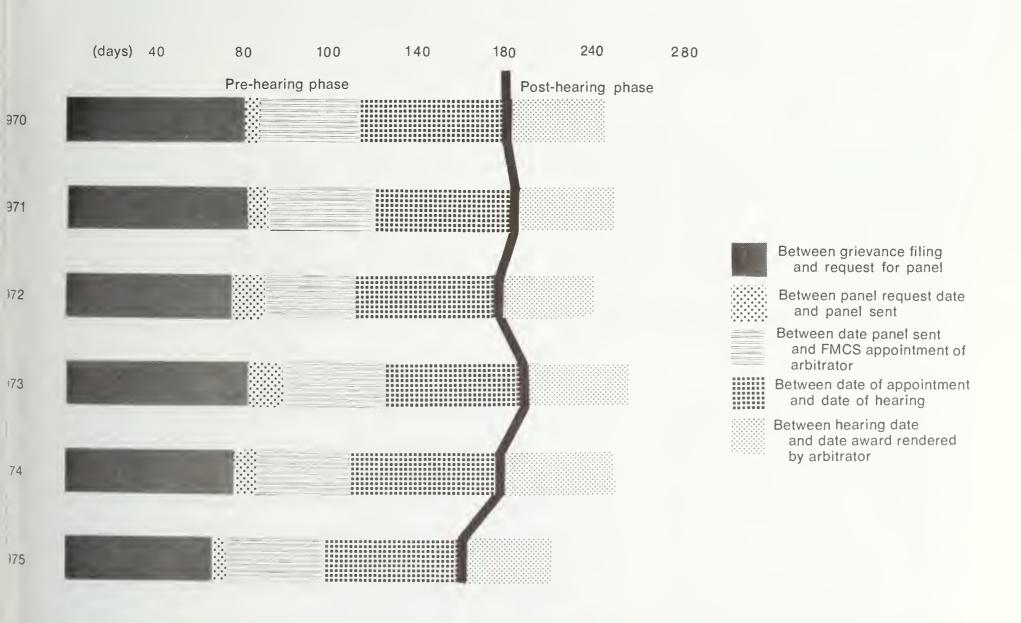


Table 30. Average number of days charged by arbitrators for travel, hearing and study time based on closed arbitration award cases sampled for fiscal years 1970 thru 1975.

		Average number of days charged by arbitrators per case*												
	1970 1971		1972 19		973		974	15	975					
Activity charged for	Amount of time	Amount of time	Percent change from previous fiscal year	Amount of time	Percent change from previous fiscal year	Amount of time	Percent change from previous fiscal year	Amount of time	Percent change from previous fiscal year	Amount of time	Perce chang from previo fisca year			
Total	. 2.93	2.96	+ 1.0	2.96	_0-	2.96		3.0	+1.4	2.89	<u>-3.7</u>			
Travel days	35	.39	+11.4	.36	-7.7	.32	-11.1	.34	+6.2	.32	-5.9			
Hearing days	92	.92	**	.91	-1.1	.92	+ 1.1	.93	+1.1	.90	-3.2			
Study days	1.66	1.65	- 0.6	1.69	+2.4	1.72	+ 1.8	1.73	+0.6	1.67	-3.5			

^{*} Based on sample of cases: for 1970, 722 cases; for 1971, 719 cases; for 1972, 850 cases; for 1973, 870 cases; for 1974, 742 cases; for 1975, 444 cases.

Cost Considerations

In addition to the time required to arbitrate a case, the parties are concerned about the increased cost of arbitration. While the Office of Arbitration Services does not gather information on the indirect costs of arbitration, it does have data on some of the direct costs incurred in taking a dispute to arbitration. An examination of some of the trends provides a partial explanation of the increasing costs of arbitration.

It has already been noted that transcripts are taken on about one-fourth of all of the arbitration cases administered by FMCS, and that briefs are filed in approximately two-thirds of those same cases. Both briefs and transcripts add to

the cost of the individual case both because of the fees for preparing them and the additional arbitrator study time required in reviewing them. Further, in a substantial number of cases either one or both of the parties choose to be represented by an attorney. Consequently, legal fees add to the cost of a case.

Those concerned about the mounting costs of arbitration have frequently attributed the cause of those mounting costs to the fees and other costs charged by the arbitrators themselves. Analysis of the data on arbitrator fees collected by the Office of Arbitration Services does not indicate any significant increase. Table 30 indicates that the overall time charged in an average case has remained relatively the same over

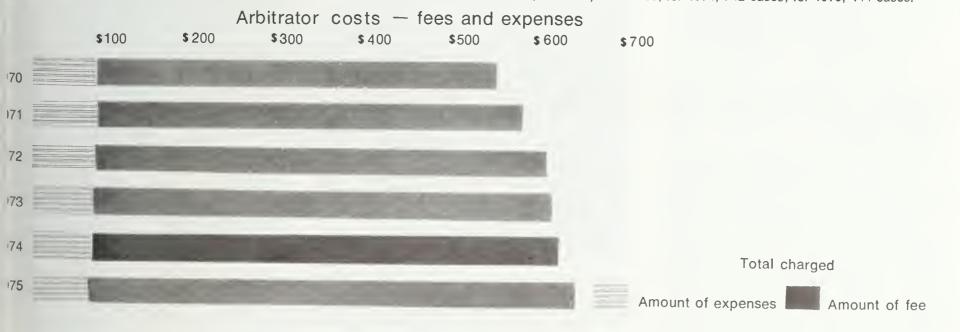
the last six years. It is noteworthy t in FY 75 the average amount of ti charged by arbitrators in cases adm istered by FMCS actually decreased seven-tenths of a day from the total FY 74. Perhaps of greater importar the data provided shows that the num of days charged to travel, hearing case and study time have remained re tively the same over the past seve years. Table 31, in providing data average per diem rates as well as av age total fees, does demonstrate t these charges have increased in rec years. However, these increases have equalled the overall rate of inflation perienced in the American economy of this same period.

^{**} No change

able 31. Average per diem rates, fees and expenses charged by arbitrators based on closed arbitration award cases sampled for fiscal years 1970 thru 1975.

	Average dollar amounts charged by arbitrators per case*										
1970		1971		1972		1973		1974		1975	
/pitrators' per diem res, fees and expenses carged		Dollar amount	Percent change from previous fiscal year	Dollar amount	Percent change from previous fiscal year	Dollar amount	Percent change from previous fiscal year	Dollar amount	Percent change from previous fiscal year	Dollar amount	Percent change from previous fiscal year
Ital charged	\$156.83 539.88 457.97 81.91	\$163.88 566.59 480.88 85.71	+4.5 +4.9 +5.0 +4.6	\$172.53 <u>590.12</u> <u>510.52</u> 79.60	+5.3 +4.1 +6.2 -7.1	\$176.32 <u>596.77</u> <u>520.40</u> 76.37	+2.2 +1.1 +1.9 -4.1	\$180.72 <u>601.33</u> <u>529.55</u> 71.78	+2.5 +0.8 +1.8 -6.0	\$192.30 621.31 550.81 70.50	+6.4 +3.3 +4.0 -1.8

ased on sample of cases: for 1970, 722 cases; for 1971, 719 cases; for 1972, 850 cases; for 1973, 870 cases; for 1974, 742 cases; for 1975, 444 cases.



Chapter VIII

General Counsel

The Office of the General Counsel took on additional tasks during 1975 and an Assistant General Counsel position was created and filled.

In strengthening the office, the OGC was able to devote more time to congressional liaison, prepare legal briefings for FMCS staff members, oversee and coordinate an effort initiated by congressional legislation to mediate a century-old dispute between the Navajo and Hopi Indians, as well as interpret labor-management related court decisions and new legislation, including an amendment to the National Labor Relations Act bringing private nonprofit health care facilities

under the jurisdiction of federal labor law.

In addition, the Office of the General Counsel maintains liaison with other government agencies such as the National Labor Relations Board and the Department of Labor, which also have statutory responsibilities in the area of labor-management relations.

The health care amendment to the National Labor Relations Act is discussed in detail in another section of this report. The Office of the General Counsel, however, played an important role in maintaining liaison with Congress while the bill was being written and provided early guidelines to FMCS staff on what the law would probably require. In so doing, the Office of the General Counsel insured a smooth transition into full involvement in the health care field when the bill became law.

The FMCS involvement in attempting to settle the Navajo-Hopi dispute originated with the passage in December 1974 of Public Law 93-531. The bill did several things in providing for a solution to the dispute, including authorizing the FMCS to appoint a mediator to work with both tribes to try to reach a peaceful solution to the problem.

Basically, the dispute involves claims by both tribes to a large portion of land in northeast Arizona. The land was set aside by the Federal Government in 1882 for the "Hopis and other Indians."

In 1962 an Arizona District Court ruled the 2.5-million acre reservation was joint property of the two tribes but held that it lacked the authority to make a division of the property. P.L. 93-531 confers that authority the court but provides first that the trib try to settle their differences by ther selves and for that purpose gave FMC the authority to appoint a mediator.

In January 1975 former FMCS Nation Director William E. Simkin was appointed. Although negotiations were still ging on at the end of fiscal year 197 substantial progress had been made.

Also in fiscal 1975, the Office of the General Counsel, taking into consideration the provisions of the Freedom Information Act, reviewed the document and proceedings on file in the agency determine what information should should not be released to the public upprequest, and under what conditions.

Many of the details of negotiations a considered privileged information by the parties. Wholesale accessibility to the confidential statements by the parties in labor-management negotiations could jeopardize the candor of proceedings at the ability of the FMCS to provide effective assistance in labor-management deputes. It is important for mediators have the full trust and confidence of the parties.

The Office of the General Counsel addition to its liaison functions with Congress and other government agencial represents the FMCS at a number legal and semi-legal seminars, forums a discussion groups and assists in proving legal interpretations and materials finclusion in speeches made by the National Director and other FMCS speake

Finally, the Office of General Countrepresents the FMCS in any legal proceedings that may arise.



firing the year the Service received special authorization from Congress to mediate a territorial counterpute between the Hopi and Navajo Indians. Former FMCS national director William E. Simkin, ited right, was appointed by current national director W. J. Usery Jr., seated left, to take charge the mediation effort. Standing, left, is FMCS director of administrative services Steve Lejko and rht, deputy national director James F. Scearce.

Chapter IX

Administration

The Office of Administration furnishes a full range of support services that insures that the agency operates smoothly and efficiently with adequate financial and personnel resources to carry out its mission of promoting labor-management peace. Support activities include budget and finance, personnel administration, operations audits, management information systems, general housekeeping and coordinating field administration.

The Budget and Financial Management Division develops budget estimates and supporting data to meet the needs of the Service; coordinates and assists in presenting these estimates to the Office of Management and Budget and the Congress; provides an integrated system of accounting and budgetary controls, records, and reports to meet management's needs and to insure compliance with all laws, rules and regulations governing the expenditure of funds; prepares, reviews and schedules payment of all payrolls and departmental vouchers, and prescribes procedural controls for financial activities at the regional office level.

The Personnel Management Division is responsible for maintaining the quality of manpower within the Service; the full utilization of personnel resources; career development; screening and hiring applicants, and maintaining good working conditions and employee relations within the agency.

The Management Information Systems Division is responsible for all management and statistical analyses and the administration of data processing activities performed by the Service. It has the responsibility for the overall design, development and coordination of data gathering techniques, interpreting data to discern trends, preparing statistical charts and reports, and providing this information to the national and regional offices.

The Administrative Services Division provides support for the national office, the seven regional offices and 72 field offices across the country. These support activities include housing and space management, supplies and forms, printing and distribution, procurement, and inter-office communications.

Organization

The organizational structure of the FMCS reflects the varied responsibilities of the Service. Table 34 is the functional management structure as of June 1975. The structure provides an efficient way of carrying out the responsibilities of the agency. The map on page 69 shows the location of the national office, the seven regional offices and the 72 field office locations.

Management Improvement

The Office of Administration continually reviews and modifies its operations to keep up with changing needs and adopt new and better management procedures as they are developed.

Improved Facilities

For several years the Service has been engaged in a program to upgrade substandard offices to make them more accessible to the parties and more conducive to productive negotiations. In FY 75 the Service upgraded or expanded its offices in Boston, Louisville, Akron, Omaha, Dallas, Honolulu and the National Office in Washington, D.C. Plans for better facilities in other cities continued, including the relocations of the Washington, D.C., national and field offices into a new building in FY 76.

Automatic Personnel and Payroll System

Other improvements occurred in the data processing area. The Service acquired an integrated payroll and personnel system. The payroll portion of the system was modified to meet FMCS needs and put into service. The personnel portion will be modified and put into use in FY 76.

Regional Office Automation

A study is already in progress to extend automated data processing terminals to the regional office that will be linked to the national office. The anticipated system would use existing systems and computer facilities. It could provide the Service with a system of instant communication to enable the FMCS to re-

spond more quickly to pressing labor management problems and keep curre records of all labor-management disput in the national office.

Accounting Procedures Automation

Studies to determine the practicali of switching some currently manual a counting practices to automated proc dures began in FY 75. It is the policy the Service to use data processing met ods where they can be shown to yie tangible benefits and/or savings.

Operations Reviews and Audits

The operations review and audit each region is an important tool. The audits examine the operations of earegion and each field office within tregion. They concentrate on the effectiuse of manpower, the appropriate location and staffing of offices, and the pocies and procedures in force. During the audits, regional and national office directors attempt to identify problems and determine ways to solve them. The audits provide the basic information in the staffing recommendations that a included in the annual budget submisions.

Seattle Regional Office

One of the findings in past audits we the rapid growth in dispute cases in the northwest portion of the Nation. At the same time, it was realized that Register Seven consisted of too vast an area permit proper administration. The Serice, therefore, has completed plans create a new region, Region Eight, we headquarters in Seattle. The new region

al boundaries are shown on the map, Table 35.

Improved Printing and Reproduction Services

During Fiscal Year 1975 several printing and reproduction machines were either purchased or rented to handle the additional printing and reproduction workload. This modern equipment has lecreased the manual operations and increased the efficiency in the printing and luplicating area.

'ersonnel Management

Personnel management in the FMCS is arried on within a framework of laws, xecutive orders, Civil Service regulatons, and internal personnel policies. It an integral function of total management, and, as such, encompasses the reruitment, selection, and utilization of eople as individuals and as members of the work force employed to accomplish the mission of the Service.

Staffing the FMCS with highly qualied mediators, administrators, other prossionals and clerical personnel is of tramount importance.

Mediator positions are exempt from vil Service eligibility requirements and e qualifications for hiring are deterined by the Service. They are extremehigh. To qualify as a mediator, an plicant usually must have a minimum seven years of full-time experience in loor-management relations. Competition very tough. More than 400 applications are reviewed for 40 mediator positions fed in FY 75. In addition to hiring

qualified mediators, the Service also has a program for hiring and training mediator interns.

Experienced mediators undergo two weeks of orientation training in the national office. Mediator interns undergo an extensive training period of up to six months of both national office and regional office training.

At the end of FY 75, the FMCS had a total authorized staffing level of 519 posi-

tions, including 20 temporary positions. This represents an increase of 26 above FY 74. See Table 32.

There were 52 promotions awarded to mediators during the fiscal year, and 88 promotions awarded to administrative, other professional and clerical personnel. Some 180 employees received withingrade step increases and an additional 39 employees received high quality step increases.

Table 32. Staffing of The Federal Mediation and Conciliation Service Fiscal Years 1974 and 1975

	FY 1974	FY 1975	Change
National Office	96	98	1 2
Field:		===	+ 2
Regional Management	21	24	+ 3
Mediators	266	272	+ 6
Administrative and Clerical	100	105	+ 5
Total Field	387	401	+14
Total Permanent Positions	483	499	. 16
Temporary Positions	10	20	+16 +10
Total FMCS Staffing	493	519	+ 26

Incentive Awards

The policy of the Service is to reward its employees in recognition of outstanding performance through the Incentive Awards Program.

During Fiscal Year 1975, incentive awards were presented to the following employees:

Incentive Awards FY 75

Name	Station
Distinguished Service Marie R. Marfisi David S. Tanzman	Awards Buffalo, New York Detroit, Michigan
Meritorious Service Av John J. Morton	vard Hartford, Connecticut
Commendable Service Bertie M. Fulton Janice M. Thomas Valerie A. Fisher Richard X. Goggin	e Awards Washington, D.C. Washington, D.C. Washington, D.C. Boston, Massachusetts
Commendable Service Mable L. Anderson James A. Cardella Arlean M. Dennis Sylvia J. King Jewell L. Myers Helen M. Resnak Pearline B. Stewart Charlene E. Thompson	—Group Award Washington, D.C.
Sustained Superior Per Beatrice S. Gandelman	rformance Award New York, New York
Special Achievement A Thelma L. Brown Alexander H. Best Mark A. Aglio	wards Washington, D.C. Washington, D.C. Washington, D.C.

Washington, D.C. Washington, D.C.

Eighteen employees retired in the past year:

Name	Station Location	Total Years in Federal Service
William A. McAlister Francis J. Andrews Myrtle V. Dabbs Charles G. Harding Charles E. Hooper Ila B. Browning Thelma L. Brown Albert L. Gese George E. Roewer Sara Gene Davis Helen M. Resnak Thelma H. Feinstein Douglas D. Brown Mildred Kurshner Omar T. White Carver N. McGaughey A. Dave Herring	Miami, Fla. Houston, Tex. Washington, D.C. Louisville, Ky. Washington, D.C. Washington, D.C. Washington, D.C. Seattle, Wash. Syracuse, N.Y. Washington, D.C. Washington, D.C. New York, N.Y. Chicago, Ill. Philadelphia, Pa. Cleveland, Ohio Chicago, Ill. Kansas City, Mo.	40 34 33 33 32 32 31 31 31 29 29 27 25 25 21 16 11
John J. Griffin	San Francisco, Calif.	

Donald W. Herring

Philip E. Carolan



rvice continued to upgrade its office fatic to make them more accessible to the fil and more conducive to fruitful negotia-Above, the entrance to the new FMCS in Indianapolis.

Length of Service Awards

The following table shows the number of awards presented during fiscal year 1975:

Year	S	Number	
10		. 23	
15		. 14	
20		. 13	
25		. 4	
30		. 3	
35		. 2	
40		. 1	
	TOTAL	. 60	

Budget and Financial Management

The Congress appropriated \$16,245,000 for the Service in FY 75, including a supplemental appropriation of \$424,000 for salary increases authorized by Congress effective October 1974, and a \$300,000 supplemental appropriation for work connected with the Hopi-Navajo dispute authorized by Public Law 93-531. The Service obligated \$16,218,000. See Table 33.

Table 33. Salaries and expenses for fiscal years 1974 and 1975

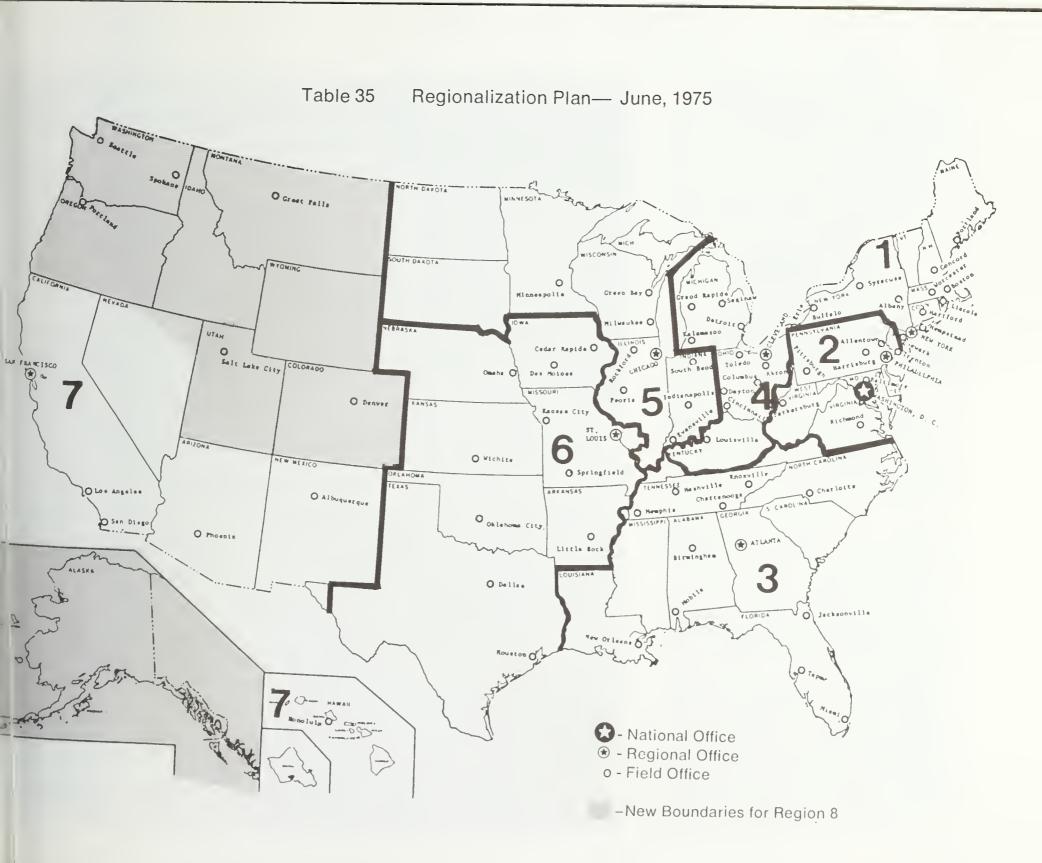
	FY-1974 (000)	FY-1975 (000)
Appropriations:		
Initial	\$10,960	\$15,521
Supplemental (pay increase)	770	424
Supplemental (program increases)	170	_
Public Law 93-531)	***************************************	300
Total Available	\$11,900	\$16,245
Obligations:		
Personnel compensation	\$ 9,121	\$10,573
Iravel	922	940
Communications	785	1,659
Other	1,065	3;046
Total	\$11,893	\$16,218
Savings	\$ 7	\$ 27

Federal Mediation and Conciliation Service Functional Chart - June, 1975 Table 34.

National Director **Deputy National Director** National Labor-Management Panel Arbitration Services Advisory Committee Advisory to National Director Policy Establishment and Overall Advisory to National Director Liaison with White House and Cablnet Officers Mediation of Major Disputes Special Assistant General Counsel Information **Executive Assistant** Advisor to National Director on Energy/Labor Relations Matters Liaison with Other Government Legal Advisor for the Service Personnel Securitý Officer Management Officer—Arbitration Public Information Congressional Relations Press and Broadcast Relations Legislative Affairs, Disputes, Public Reports and Pamphlets Intra-Service Publications Services Advisory Committee Agencies on Labor Relations Matters Involving Energy Produc-tion, Development and Distribution General Information Director, Equal Employment Opportunity FMCS-NLRB Relations Foreign Visitor Orientation Administration of Taft-Hartley Injunction Procedures Advisor to National Director Special Projects Mediation of Significant Disputes Staff Assistance to General Counsel Executive Secretary, National Labor-Management Panel Mediation of Significant Disputes Mediation of Significant Disputes and Office of Technical Services Administration of Conflict of Interest Regulations Staff Grievances Administration Arbitration Services Technical Services Mediation Services Employment end Personnel Administ Budget and Finance Procurement, Services and Supply Maintein Roster of Oualified Arbitrators Mediation of Major Disputes Dispute Mediation Policies and Proce-Preventive Mediation Administer Arbitration Panel Requests and Arbitration Selection Procedures Administer Requests for Direct Designation Technical Assistance to Staff and Parties Informational Service to Staff and Procedures and Methods Analysis Automatic Data Processing and Syst Responsibility of Coordinating Field Mediation Activities Within Each Parties Administer Hequests for Direct Designation of Arbitrators to Specific Disputes
Liaison with Natl. Academy of Arbitrators,
American Arbitration Assn. and State and Local Arbitrator Appointive Agencies
Advisory Role and Lieison with Foreign
Countries on Dispute Resolution Development and Evaluation of New Disputes Areas Development Region as Related to Private end Public Sectors Operating Statistics
Regional Operations Audits Research on Mediation and Other Dispute Settlement Techniques Coordination of Field Mediation Activi-Internal Audits
Mobilization Planning ties and Interregional Disputes
Utilization of Ad Hoc Dispute Boerds, Staff Development and Training Planning, Direction and Evaluation of Workshops and Seminars Processes
Research and Technical Assistance In Panels and Mediators from Private Development end Distribution of Media-Sector Development of Arbitration Prectices tion and Training Aids Medietion of Significant Disputes Liaison with Other Agencies on Specific and Procedures Disputes Federal-State Relations

Regional Offices (7)

Administration of Regional Activity Mediation and Prevention of Labor-Management Disputes Technical Services to Lebor and Management Regional Public end Press Relations Treining end Development of New Mediators



Chapter X

Public Information

The peacekeeping functions of the FMCS—mediation, arbitration and technical assistance—operate most effectively when they are understood by the parties and the public.

As a public agency, the FMCS has an obligation to keep the public fully informed about its programs and activities and to promote the collective bargaining policy of the Nation.

To achieve these results, the Service carries out a continuing information program, a program coordinated at the national office level by the Office of Information.

Every mediator is expected to assist in the program. Field mediators do so by making themselves available to the media, particularly during disputes, and by accepting invitations to speak before groups, participate in labor-management forums, conferences, and so forth, and by instructing on occasion high school and college classes in labor-management relations.

During fiscal 1975, this program continued with strong participation by mediators in all regions.

In addition to every mediator being a spokesperson for FMCS activity, the Office of Information carries out certain specific functions. They include: issuing news releases on major developments involving FMCS, providing professional media liaison during key disputes, maintaining ongoing relations with labor reporters from major newspapers and magazines, arranging print and electronic media interviews with key FMCS officials, writing articles upon request for reproduction in various periodicals, publishing pamphlets and reports about FMCS activities and programs, publishing a monthly newsletter containing articles of interest about the Service and collective bargaining, writing speeches for top FMCS personnel, providing full photographic service during important labor negotiations and during other functions and coordinating the FMCS visitors program.

The Office of Information also provides certain inhouse functions: a daily summary of important labor-management activities, coordination of the FMCS awards committee, miscellaneous design and printing services, and letter writing.

Public Speaking

Personal appearance before audiences interested in collective bargaining is one of the best ways to explain the complex and changing subject. These appearances take many forms, from prepared speeches

given at nationwide conferences to moc mediation sessions put on by field med ators showing what typically takes plac during negotiations.

Many times these appearances at backed up by films and slide present tions prepared within the FMCS.

In addition, mediators often appear a panel members in discussion groups.

These public speaking appearances at particularly helpful in explaining programs to union negotiators and to management representatives. Frequently conferences are planned months in a vance on a single important subject, such as the new Relationships By Objective (RBO) program discussed in detail another portion of this report, or of federal sector or public sector bargaining

Many times FMCS speakers are au mented by outside experts, adding dep and another point of view to discussion

Media Coverage

While speakers reach large numb of the labor-management community, the vast majority of the public receives most its information about collective bagaining via the media, print and eletronic.

This is particularly true during negotiations when the attention of a community or of the nation may be directed toward a set of critical negotiations involving federal mediators.

In major negotiations at the nation office level, a press liaison person from the Office of Information is assigned monitor the negotiations and assist the press in obtaining accurate information a 24-hour basis.



At other times press inquiries on the status of negotiations at the national, regional or field office level are handled by telephone during normal working hours.

Whenever any important developments occur during negotiations, such as a tentative agreement, a decision to recess or to meet again at another time, this information is furnished to the media as rapidly as possible.

While all media representatives are accorded fair and equal treatment, the Office of Information does maintain an ongoing relationship with assigned labor reporters, encouraging them to keep up to date on background developments and briefing them on areas of upcoming concern.

This positive relationship with the press has contributed significantly to the achievements recorded in fiscal 1975.

Publications

The Office of Information publishes various pamphlets and brochures which explain the structure and function of the FMCS. During fiscal 1975, a booklet explaining the role of mediation under the new health care amendments was printed and gained widespread acceptance in the health care industry. The monthly newsletter has gained a sizeable number of subscribers from all walks of collective bargaining. Brochures on arbitration, technical service and employment opportunities within the FMCS were reprinted in fiscal 1975. These informational publications are made available—to interested persons, including many students.

Appendix A

Labor-Management Relations Act, 1947, Title I

Title I—Amendment of National Labor Relations Act

Sec. 8. (d), For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession: Provided, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification—

(1) serves a written notice upon the other party to the contract of the proposed termination or modification sixty days prior to the expiration date thereof, or in the event such contract contains no expiration date, sixty days prior to the time it is proposed to make such termination or modification;

- (2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;
- (3) notifies the Federal Mediation and Conciliation Service within thirty days after such notice of the existence of a dispute, and simultaneously therewith notifies any State or Territory agency established to mediate and conciliate disputes within the State or Territory where the dispute occurred, provided no agrement has been reached by that time; and
- (4) continues in full force and effect, without resorting to strike or lock-out. all the terms and conditions of the existing contract for a period of sixty days after such notice is given or until the expiration date of such contract, whichever occurs later:

The duties imposed upon employer employees, and labor organizations b paragraphs (2), (3), and (4) shall become inapplicable upon an intervening cert fication of the Board, under which the labor organization or individual, which is a party to the contract, has been s perseded as or ceased to be the repr sentative of the employees subject to the provisions of section 9(a), and the dutiso imposed shall not be construed as r quiring either party to discuss or agree to any modification of the terms and co ditions contained in a contract for fixed period if such modification is become effective before such terms ar conditions can be reopened under the provisions of the contract. Any er ployee who engages in a strike with the sixty-day period specified in this su section shall lose his status as an er ployee of the employer engaged in the particular labor dispute, for the purpos of sections 8, 9, and 10 of this Act, amended, but such loss of status f such employee shall terminate if a when he is reemployed by such en ployer.

ppendix B

abor-Management Relations Act, 1947, Title II

tle II—Conciliation of Labor Disputes in Industries Affecting Commerce; National Emergencies

c. 201. That it is the policy of the ited States that—

sound and stable industrial peace and advancement of the general welfare, lth, and safety of the Nation and of best interests of employers and empeace can most satisfactorily be seled by the settlement of issues been employers and employees through processes of conference and collectory bargaining between employers and representatives of their employees;

he settlement of issues betwen emers and employees through collecbargaining may be advanced by ing available full and adequate govnental facilities for conciliation, ation, and voluntary arbitration to and encourage employers and the sentatives of their employees to 1 and maintain agreements concernates of pay, hours, and working tions, and to make all reasonable s to settle their differences by muagreement reached through conces and collective bargaining or by methods as may be provided for applicable agreement for the setnt of disputes; and

tain controversies which arise beparties to collective-bargaining nents may be avoided or miniby making available full and adegovernmental facilities for furnishing assistance to employers and the representatives of their employees in formulating for inclusion within such agreements provision for adequate notice of any proposed changes in the terms of such agreement, for the final adjustment of grievances or questions regarding the application or interpretation of such agreements, and other provisions designed to prevent the subsequent arising of such controversies.

Sec. 202. (a) There is hereby created an independent agency to be known as the Federal Mediation and Conciliation Service (herein referred to as the "Service," except that for sixty days after the date of the enactment of this Act such term shall refer to the Conciliation Service of the Department of Labor). The Service shall be under the direction of a Federal Mediation and Conciliation Director (hereinafter referred to as the "Director"), who shall be appointed by the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$12,000 per annum. The Director shall not engage in any other business vocation, or employment.

(b) The Director is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the Service, and shall fix their

compensation in accordance with the Classification Act of 1923, as amended, and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such conciliators and mediators as may be necessary to carry out the functions of the Service. The Director is authorized to make such expenditures for supplies, facilities, and services as he deems necessary. Such expenditures shall be allowed and paid upon presentation of itemized vouchers therefor approved by the Director or by any employee designated by him for that purpose.

(c) The principal office of the Service shall be in the District of Columbia, but the Director may establish regional offices convenient to localities in which labor controversies are likely to arise. The Director may by order, subject to revocation at any time, delegate any authority and discretion conferred upon him by this Act to any regional director, or other officer or employee of the Service. The Director may establish suitable procedures for cooperation with State and local mediation agencies. The Director shall make an annual report in writing to Congress at the end of the fiscal year.

(d) All mediation and conciliation functions of the Secretary of Labor or the

United States Conciliation Service under section 8 of the Act entitled "An Act to create a Department of Labor," approved March 4, 1913 (U.S.C., title 29, sec. 51), and all functions of the United States Conciliation Service under any other law are hereby transferred to the Federal Mediation and Conciliation Service, together with the personnel and records of the United States Conciliation Service. Such transfer shall take effect upon the sixtieth day after the date of enactment of this Act. Such transfer shall not affect any proceedings, pending before the United States Conciliation Service or any certification, order, rule, or regulation theretofore made by it or by the Secretary of Labor. The Director and the Service shall not be subject in any way to the jurisdiction or authority of the Secretary of Labor or any official or division of the Department of Labor.

Functions of the Service

Sec. 203. (a) It shall be the duty of the Service, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, to assist parties to labor disputes in industries affecting commerce to settle such disputes through concilation and mediation.

(b) The Service may proffer its services in any labor dispute in any industry affecting commerce, either upon its own motion or upon the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption of commerce. The Director and the Service are directed to avoid attempting to me-

diate disputes which would have only a minor effect on interstate commerce if State or other conciliation services are available to the parties. Whenever the Service does proffer its services in any dispute, it shall be the duty of the Service promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

(c) If the Director is not able to bring the parties to agreement by conciliation within a reasonable time, he shall seek to induce the parties voluntarily to seek other means of settling the dispute without resort to strike, lock-out or other coercion, including submission to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a secret ballot. The failure or refusal of either party to agree to any procedure suggested by the Director shall not be deemed a violation of any duty or obligation imposed by this Act.

(d) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Service is directed to make its conciliation and mediation services available in the settlement of such grievance disputes only as a last resort and in exceptional cases.

Sec. 204. (a) In order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes,

employers and employees and their re resentatives, in any industry affecting commerce shall—

(1) exert every reasonable effort to ma and maintain agreements concerni rates of pay, hours, and working conc tions, including provision for adequa notice of any proposed change in t terms of such agreements;

(2) whenever a dispute arises over t terms or application of a collective-bagaining agreement and a conference requested by a party or prospecti party thereto, arrange promptly for su a conference to be held and endeavor such conference to settle such dispute expeditiously; and

(3) in case such dispute is not settled conference, participate fully and promy ly in such meetings as may be und taken by the Service under this Act the purpose of aiding in a settlement the dispute.

Sec. 205. (a) There is hereby create a National Labor-Management Parwhich shall be composed of twelve me bers appointed by the President, six whom shall be selected from among processors outstanding in the field of manament and six of whom shall be selected from among persons outstanding in field of labor. Each member shall have office for a term of three years, except that any member appointed to fill a cancy occurring prior to the expirate of the term, for which his predeces was appointed shall be appointed for remainder of such term, and the term

office of the members first taking ofce shall expire, as designated by the resident at the time of appointment, our at the end of the first year, four the end of the second year, and four the end of the third year after the ite of appointment. Members of the inel, when serving on business of the inel, shall be paid compensation at the ite of \$25 per day, and shall also be entled to receive an allowance for actual id necessary travel and subsistence exenses while so serving away from their aces of residence.

e request of the Director, to advise in e avoidance of industrial controversies id the manner in which mediation and pluntary adjustment shall be adminisred, particularly with reference to conoversies affecting the general welfare the country.

ational Emergencies

c. 206. Whenever in the opinion of the esident of the United States, a threatled or actual strike or lock-out affectg an entire industry or a substantial irt thereof engaged in trade, commerce, insportation, transmission, or commucation among the several States or ith foreign nations, or engaged in the oduction of goods for commerce will, permitted to occur or to continue, peril the national health or safety, he ay appoint a board of inquiry to intire into the issues involved in the spute and to make a written report to m within such time as he shall preribe.

Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendation. The President shall file a copy of such report with the Service and shall make its contents available to the public.

Sec. 207. (a) A board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

- (b) Members of a board of inquiry shall receive compensation at the rate of \$50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.
- (c) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of section 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

Sec. 208. (a) Upon receiving a report from a board of inquiry the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

- (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations or engaged in the production of goods for commerce; and
- (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate.
- (b) In any case, the provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.
- (c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon write of certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., Title 29, secs. 346 and 347).

Sec. 209. (a) Whenever a district court has issued an order under section 208 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to

such order to make every effort to adjust and settle their differences, with the assistance of the Service created by this Act. Neither party shall be under any duty to accept, in whole or in part, any proposal of settlement made by the Service.

(b) Upon the issuance of such order, the President shall reconvene the board of inquiry which has previously reported with respect to the dispute. At the end of a sixty-day period (unless the dispute has been settled by that time), the board of inquiry shall report to the President the current position of the parties and the efforts which have been made for settlement, and shall include a statement by each party of its position and a statement of the employer's last offer of settlement. The President shall make such report available to the public. The National Labor Relations Board, within the succeeding fifteen days, shall take a secret ballot of the employees of each employer involved in the dispute on the question of whether they wish to accept the final offer of settlement made by their employer as stated by him and shall certify the results thereof to the Attorney General within five days thereafter.

Sec. 210. Upon the certification of the results of such ballot or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged. When such motion is granted, the President shall submit to the Congress a full and comprehensive report of the proceedings, including the findings of the board of inquiry and the ballot taken by the National Labor Relations Board, together with such recommendations as he may see fit to make for consideration and appropriate action.

Compilation of Collective Bargaining Agreements, etc.

Sec. 211. (a) For the guidance and information of interested representatives of employers, employees, and the general

public, the Bureau of Labor Statistics the Department of Labor shall maint a file of copies of all available collectibargaining agreements and other avable agreements and actions thereun settling or adjusting labor disputes. Sfile shall be open to inspection under propriate conditions prescribed by Secretary of Labor, except that no scific information submitted in confide shall be disclosed.

(b) The Bureau of Labor Statistics in Department of Labor is authorized furnish upon request of the Service employers, employees, or their regrentatives, all available data and facinformation which may aid in the sement of any labor dispute, except the specific information submitted in codence shall be disclosed.

Exemption of Railway Labor Act

Sec. 212. The provisions of this shall not be applicable with respectant any matter which is subject to the visions of the Railway Labor Act amended from time to time.

ppendix C

lealth Care Act

ıblic Law 93-360, 93rd Congress. S. 3203. July 26, 1974)

amend the National Labor Relations act to extend its coverage and protection to employees of nonprofit hostials, and for other purposes.

Representatives of the United States America in Congress assembled, That section 2(2) of the National Labor Reports Act is amended by striking out any corporation or association oping a hospital, if no part of the nethings inures to the benefit of any rate shareholder or individual,".

- o) Section 2 of such Act is amended adding at the end thereof the follownew subsection:
- "(14) The term 'health care instituon' shall include any hospital, conalescent hospital, health maintenance ganization, health clinic, nursing ome, extended care facility, or other stitution devoted to the care of sick, firm, or aged person.".
- The last sentence of section 8(d) uch Act is amended by striking out words "the sixty-day" and inserting eu thereof "any notice" and by inng before the words "shall lose" a ma and the following: "or who ensin any strike within the appropriate od specified in subsection (g) of this on,".

- (d)(1) The last paragraph of section 8(d) of such Act is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a health care institution, the provisions of this section 8(d) shall be modified as follows:
 - "(A) The notice of section 8(d)(1) shall be ninety days; the notice of section 8(d)(3) shall be sixty days; and the contract period of section 8(d)(4) shall be ninety days.
 - "(B) Where the bargaining is for an initial agreement following certification or recognition, at least thirty days' notice of the existence of a dispute shall be given by the labor organization to the agencies set forth in section 8(d)(3).
 - "(C) After notice is given to the Federal Mediation and Conciliation Service under either clause (A) or (B) of this sentence, the Service shall promptly communicate with the parties and use its best efforts, by mediation and conciliation, to bring them to agreement. The parties shall participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of the dispute."
- (e) Section 8 of such Act is amended

by adding at the end thereof the following new subsection.

"(g) A labor organization before engaging in any strike, picketing, or other concerted refusal to work at any health care institution shall, not less than ten days prior to such action, notify the institution in writing and the Federal Mediation and Conciliation Service of that intention, except that in the case of bargaining for an initial agreement following certification or recognition the notice required by this subsection shall not be given until the expiration of the period specified in clause (B) of the last sentence of section 8(d) of this Act. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement of both parties."

Sec. 2. Title II of the Labor Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"Conciliation of Labor Disputes in the Health Care Industry

"Sec. 213. (a) If, in the opinion of the Director of the Federal Mediation and Conciliation Service a threatened or actual strike or lockout affecting a health care institution will, if permitted to occur

or to continue, substantially interrupt the delivery of health care in the locality concerned, the Director may further assist in the resolution of the impasse by establishing within 30 days after the notice to the Federal Mediation and Conciliation Service under clause (A) of the last sentence of section 8(d) (which is required by clause (3) of such section 8(d)), or within 10 days after the notice under clause (B), an impartial Board of Inquiry to investigate the issues involved in the dispute and to make a written report thereon to the parties within fifteen (15) days after the establishment of such a Board. The written report shall contain the findings of fact together with the Board's recommendations for settling the dispute, with the objective of achieving a prompt, peaceful and just settlement of the dispute. Each such Board shall be composed of such number of individuals as the Director may deem desirable. No member appointed under this section shall have any interest or involvement in the health care institutions or the employee organizations involved in the dispute.

"(b)(1) Members of any board established under this section who are otherwise employed by the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out its duties under this section.

"(2) Members of any board established under this section who are not subject to paragraph (1) shall receive compensation at a rate prescribed by the Director but not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, including travel for each day they are engaged in the performance of their duties under this section and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out their duties under this section.

"(c) After the establishment of a board under subsection (a) of this section and for 15 days after any such board has issued its report, no change in the status quo in effect prior to the expiration of the contract in the case of negotiations for a contract renewal, or in effect prior to the time of the impasse in the case of an initial bargaining negotiation, except by agreement, shall be made by the parties to the controversy.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."

Sec. 3. The National Labor Relations Act is amended by adding immediately after section 18 thereof the following new section:

"Individuals With Religious Convictions

"Sec. 19. Any employee of a health care institution who is a member of and adheres to established and traditional tenets or teachings of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or financially support any labor organization as a condition of employment; except that such employee may be re-

quired, in lieu of periodic dues and initiation fees, to pay sums equal to such dues and initiation fees to a nonreligious charitable fund exempt from taxation under section 501(c)(3) of the Internal Revenue Code, chosen by such employee from a list of at least three such funds, designated in a contract between such institution and a labor organization, or if the contract fails to designate such funds then to any such fund chosen by the employee."

Sec. 4. The amendments made by the Act shall become effective on the thirtiet day after its date of enactment.

Approved July 26, 1974.



iations between Gulf Oil Corp. and the Oil, Chemical and Atomic Workers were called to Washington for negotiations in the FMCS offices offices

Regional Offices

Region 1.—Paul Yager

Regional Director

2937 Federal Building, 26 Federal Plaza, New York 10007. Maine, New Hampshire, Vermont, Connecticut, Rhode Island, Massachusetts, New York and Northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Sussex and Union.

Region 2.—Robert W. Donnahoo

Regional Director

401 Mall Bldg., Fourth and Chestnut Street, Philadelphia 19106. Pennsylvania, Delaware, Maryland, District of Columbia, West Virginia, Southern New Jersey counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Warren, Hunterdon, Mercer, Monmouth and Salem; Virginia counties of Allegheny, Botetourt, Roanoke, Franklin, Henry and all east of these counties; and southeastern Ohio counties of Belmont, Monroe, Washington, Nobel and Guernsey.

Region 3.—Tally R. Livingston

Regional Director

1422 West Peachtree Street, NW, Atlanta 30309. Western Virginia counties of Lee, Wise, Scott, Dickerson, Buchanan, Russell, Washington, Tazewell, Smyth, Bland, Wythe, Grayson, Carroll, Pulaski, Giles, Craig, Montgomery, Floyd and Patrick; Southwest Kentucky counties of Fulton, Hickman, Carlisle, Ballard, McCracken, Graves, Marshall, Calloway, Livingston, Todd, Lyon, Trigg, Caldwell, Crittenden, Union, Webster, Hopkins, Christian, Muhlenberg, Logan and Simpson; Arkansas (Crittenden County only); Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Puerto Rico and the Virgin Islands.

Region 4.—James L. Macpherson

Regional Director

1525 Superior Bldg., 815 Superior Avenue, NE, Cleveland, Ohio 44114. Indiana counties of Clark and Floyd; Kentucky (except the counties of Region 3 jurisdiction); Ohio (except the counties under Region 2 jurisdiction); Michigan (lower peninsula; upper peninsula under Region 5 jurisdiction).

Region 5.—Richard D. Williams

Regional Director

1402 Dirksen Building, 219 South Dearborn Street, Chicago 60604. Illinois (except the counties under Region 6 jurisdiction); Indiana (except Clark and Floyd Counties under Region 4 jurisdiction); Wisconsin, Minnesota, North Dakota, South Dakota and Michigan (upper peninsula; lower peninsula under Region 4 jurisdiction).

Region 6.—Paul E. Bowers

Regional Director

3266 Federal Building, 1520 Market Street, St. Louis 63103. Iowa, Missouri, Illinois counties of Calhoun, Greene, Jersey, Madison, Macoupir Monroe, Randolph and St. Clair; Arkansas (except Crittenden County); Nebraska, Kansas Oklahoma, and Texas (except El Paso an Hudspeth Counties under Region 7 jurisdiction

Region 7.—Lowell M. McGinnis

Regional Director

13471 New Federal Office Building, 450 Golde Gate Avenue, Post Office Box 36007, San Fractisco 94102. Washington, Oregon, Californidaho, Montana, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, Texas counties of El Paso and Hudspeth; Alaska, Hawaii an Guam.



Mission

Federal Mediation and Conciliation Service



Promoting the development of sound and stable labor-management relationships,



Preventing or minimizing work stoppages by assisting labor and management to settle their disputes through mediation,



Advocating collective bargaining, mediation and voluntary arbitration as the preferred process for settling issues between employers and representatives of employees,



Developing the art, science and practice of dispute resolution,



And fostering constructive joint relationships of labor and management leaders to increase their mutual understanding and solution of common problems.



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insure domestic tranquility. MAY 10 1977

Preamble, Constitution of the United States
D165-A

ty-Ninth Annual Report · Fiscal Year 1976 and Transition Quarter leral Mediation and Conciliation Service



James F. Scearce, National Director

Tally R. Livingston, Deputy National Director

John A. Wagner, Special Assistant to the Director

Kenneth E. Moffett, Director, Office of Mediation Services

Jerome T. Barrett, Director, Office of Technical Services

L. Lawrence Schultz, Director, Office of Arbitration Services

Robert P. Gajdys, Director, Office of Administration

Herbert Fishgold, General Counsel

Norman Walker, Director, Office of Information

Federal Mediation and Contillation Service venty-Ninth Annual Report · Fiscal Year 1976 and Transition Quarter insure don



To the Congress of the United States:

It is my honor to submit the 29th Annual Report of the Federal Mediation and Conciliation Service for the fiscal year ending June 30, 1976, and the transition quarter of July 1, 1976, to September 30, 1976.

The Report reflects the activities of the Service during 15 crucial months of economic adjustment and recovery.

The contents of this report, in my estimation, support the wisdom of the Congress in establishing free economic collective bargaining as an encouraged practice and procedure for adjusting wages, working conditions and protecting the rights of employees.

Despite some continued economic hardships and the changes of the times, the rate of strikes, especially in mediated cases, continued to decline. Wage increases on the whole were adequate without being inflationary. Bargaining took into account such diverse things as productivity, job security and cost-of-living protection.

In short, the system worked and worked well. I am proud of the record of the Service in assisting in this effort, and proud of the individual and collective contributions of the 550 employees who are the Federal Mediation and Conciliation Service.

James F. Scearce, National Director

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Chapter I

Introduction

This Annual Report, unlike the 28 that have preceded it, covers a 15-month period of time.

In the past, the Federal government's fiscal year began on 1 July and ended 30 June. This has changed. The new fiscal year henceforth begins 1 October and ends 30 September. The first of the new fiscal years —FY 77—begins October 1, 1976.

To adapt to this change, this Annual Report covers both the old fiscal year—FY 76—from 1 July 1975 to 30 June 1976 and the period of time from 1 July 1976 to 30 September 1976. This latter period of time is referred to as the transition quarter.

For comparison purposes, most of the statistical tables in this report show both the old fiscal year—FY 76—and the transition quarter. Where data for the transition quarter is not available, or statistically insignificant, it has been omitted.



Our Bargaining System

As the Nation celebrated its Bicenter nial, we looked back on many significant events, times and people; yet the Unite States is more than a composite of great moments and great Americans. Our country is essentially all of our people and the daily fabric of our lives depends a much on the day to day workings of or institutions as it does on the heritage we have received from the past.

Our economic system has given us or of the highest standards of living in the world, and in one way or another, mo of us depend on that system to less satisfying, creative and productive live Collective bargaining is an integral part of that system.

And it works. By comparison to moother countries, our strike rate is amounted the lowest, and the cooperation and a cord that have been and is being achiev between labor and management in received years is among the best in the free wor

It works so well that those of us ware not part of the labor-management community tend to forget that it is the except when an occasional strike occurred inconveniences us.

This 29th Annual Report of the Fede Mediation and Conciliation Service of scribes the workings of that system at the activities of the FMCS during period 1 July 1975 through 30 Septem 1976.

It is an encouraging report.

The Past is Prologue

No period of time stands alone, at the period of time covered by this repart must be placed in context with the even and conditions of recent past years

der to be fully understood.

Since the middle of the decade of the 60's, economic conditions have been ffeted by many forces.

First, the defense spending of the Viet Itm war era, the demand for war matrials, the build up of the Armed Forces of the consequent shrinkage of civilian is seekers combined to alter the econgy. The steady growth in real wages ad purchasing power that had been sing place since the beginning of the deade was undermined by inflation.

The American workforce, accustomed trising expectations, countered the loss treal dollar value by demanding higher age increases. The spiral led to the Evernment's decision to apply wage and oce controls in the early 1970's.

There were additional developments on thereafter. As the war began windrown, hundreds of thousands of job (kers, many of them unskilled, remed to the civilian job market. The hand for war materials slackened and adjustment period from production war goods to consumer goods with typical dislocations began. Inflation tinued and the loss in growth of real chasing power helped retard the with of new civilian industry and the ansion of consumer goods. High instrates hurt business expansion and escially the new housing market.

Thergy Crisis

y themselves, these factors were critidenot unlike conditions that had extat other times, for example: after Korean conflict.

ut they were compounded in the 9)'s by another unprecedented devel-

opment-the oil embargo and later the fourfold increase in oil prices. The sharp rise in energy costs had immediate and longterm effects. First, it introduced a new and major inflationary ripple into the American and the world economies. Second, it shocked Americans into rethinking their automobile purchasing habits — at least temporarily — and brought about a long and pronounced downturn in that industry. The hundreds of thousands of laid-off autoworkers were the most visible manifestation of that downturn. Yet automobiles are only the final product. The suppliers of steel, batteries, tires, component parts, radios, gears, transmissions, frames, copper, aluminum and a host of other products and materials suffered. So, too, did the automobile retailing complex. The recession of 1974 had begun.

The longterm impact of the energy cost rise is still being debated. Most economists agree, however, that in addition to being inflationary in the shortterm, it has placed, in essence, a new cost or tax on doing business. Marginally profitable plants with high energy requirements became unprofitable and obsolete overnight. Profitable plants became less so, resulting in less net profit and less capital for expansion and investment.

Return to Normalcy

The strength of the American economy, however, lies not only in its technology and the productivity of its workforce, but also in its ability to adapt to changing conditions.

As FY 76 began, a return to normalcy was already underway. Consumer spending rose, business output increased. Americans returned to the automobile



with renewed enthusiasm and the industry that was at the forefront of the recession began leading the country out of it.

At the same time, the rate of inflation was slowed. Unemployment which stood at 8.7 percent as of 1 July 1975 fell to 7.9 percent by 30 September 1976. While this figure is high by historical standards, and represents almost 7.5 million jobless, it is largely attributable to a rapid expansion of the workforce. Some 2.3 million new jobs were created during the 15 months covered by this report.

Collective Bargaining

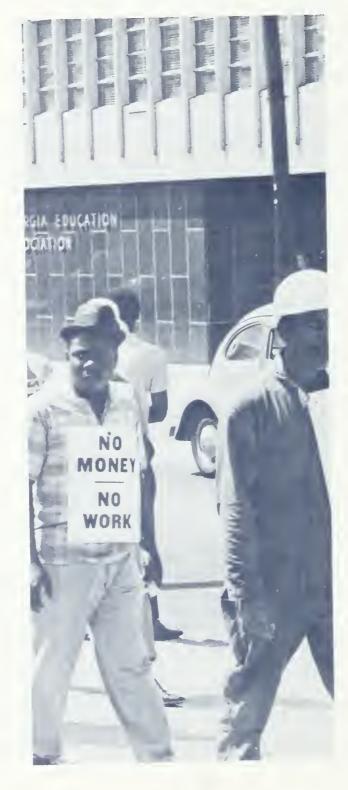
The return to normalcy shows up in the collective bargaining activity in FY 76 and the transition quarter.

FY 76 and the transition quarter included a number of major negotiations—transportation and trucking, rubber, the auto and farm equipment industries, the electrical appliance industries, men's and boys' clothing and the food canning and freezing industries in California.

In addition, there were major settlements in the public sector, especially in Iowa and Florida where new public sector bargaining laws are in effect. And this was a big year for bargaining in the construction industry and a moderate one in the health care and retail industries, in service industries, and in other negotiations that take place locally rather than regionally or nationwide.

Many of the specific negotiations are discussed in some detail in the Private Sector and the Public Sector chapters of this report.

It is worthwhile to examine some of the statistics of this period.



First, the rate of strikes in case handled by federal mediators fell to low of 13.2 percent during FY 76 compared to 15.2 percent in FY 75 and 14. percent in FY 74. It was the lowest strik rate for a non-controls year since F 68 when the rate was 12.5 percent. The statistic translates into improved bases in the statistic translates into improved bases in the statistic translates.

gaining.

Second, wage increases moderate At the beginning of FY 76, average al industry first year wage increase amounted to 11.3 percent and the ave age annual increase over the life multiyear contracts amounted to 8.7 pe cent. By the end of the transition qua ter, these figures had fallen to 10 percent and 7.3 percent. From an ec nomic point of view, these figures a encouraging. The increase in wages ov the current rate of inflation indicated real gain in purchasing power. At the same time, the additional gain fell wit in the range of productivity increases an thus, in the main, were not inflationar

In terms of caseload, the Servi handled more dispute cases (19,85) more technical assistance cases (1,08) and more education and informaticases (860) than in any previous fiscayear. The number of private sector dispute cases did show a slight decline, by this was more than offset by the grow of public sector dispute cases.

Significant Occurrences

In addition to handling the highest castload in history in FY 76 and continuithe same pace during the transitiquarter, the FMCS took part in and experienced a number of important even

In November 1975, the entire prof

ional staff met for one week at a naonal seminar in New Orleans. The rorking seminar included speakers from overnment, labor and management; prossional workshops; counseling; and an pportunity for mediators from all over the country to get together to compare of other order of the staff of the staff

In February 1976, the former national rector of the Service, W. J. Usery, Jr., as appointed Secretary of Labor. James Scearce, who had been serving as puty national director, became the ghth national director. The transition coursed during a heavy bargaining priod and involved such disputes as the acking and the rubber negotiations.

In March 1976, the national office of e Service moved into its own headmarters building in Washington, D.C. Ince its beginning in 1947, the Service ladquarters had been located in the lipartment of Labor building although the FMCS is a separate and independent aency. The new headquarters gives the service better facilities and enhances the distinction between the Department of Labor and the independent FMCS.

In May 1976, the Service hosted the fat nationwide conference of area laborninagement committees. Eighteen of the 2 committees in the country participted or sent representatives. The purpse of the conference was to explore the area labor-management committee carept and to assemble information that can be of help to assist communities increased in such a committee.

n June 1976, the Service presented to programs to members of Congress. Ce dealt with the overall operations of the Service, the other with the Service's

continuing technical assistance program in the coal industry. (See chapter V.)

Also in FY 76, the Service began operations of its eighth regional office. The western states, formerly served by one regional office in San Francisco, were divided into two parts and a new regional office for the northwest established in Seattle. This has and will continue to provide both better service to the labor-management community and savings to the American taxpayer by reducing travel costs and providing quicker management reaction time to disputes.

Requests for arbitration panels, the number of arbitration appointments made and the number of closed arbitration cases recorded reached new highs in FY 76. During the transition quarter, the Service made internal operating changes to accommodate the growing workload. New rules and regulations were published governing the activity of arbitrators on the FMCS roster and their appointment to and removal from that roster. (See chapter VI.)

New management initiatives were undertaken. Budget responsibilities were broadened, a new directives system published, and the regions began operating under systems that preassign mediators to cases well before bargaining begins in order to improve efficiency.

Summary

The chapters that follow cover in detail the events and activities that have been noted but briefly in this introduction. Many other activities—such as the growing role and importance of the Service's technical assistance programs, the expanding role of the Service in public sector negotiations, the FMCS's

construction industry monitoring program, our response to the health care challenge—not included in the introduction are discussed as well.

The Service is no longer merely an adjunct to the collective bargaining process. It is part of that process and part of the growing trend toward better labor-management understanding and relations in the United States. It has become a repository for new ideas and initiatives and a catalyst for change and improvement.

Today's mediator is the finest ever. The standards for hiring are the toughest. The demands placed on his or her time and talent are strenuous. Their breadth of involvement with the parties now spans the entire life of the contract.

And while the field mediator is truly the backbone of this agency, it takes every one of the dedicated managers, professionals and support personnel to carry out the important role of the Federal Mediation and Conciliation Service.

Thus while this report covers the accomplishments and undertakings of an agency, the accomplishments are only partially the result of policies formulated and handed down by management. Far more important are the activities of the 350 professional mediators in 80 cities across the country, the support they receive from the clerical and professional staff that backs them up, the contacts that individuals in the FMCS maintain with members of the collective bargaining community at all levels and in all areas, and the goodwill and trust of all Americans who believe in the wisdom of collective bargaining and apply their efforts to make it work.

Chapter II

Private Sector

Private sector negotiation, after several years of being distorted by controls, inflation and recession, returned to comparative normalcy in FY 76 and the transition quarter. The percentage of dispute cases involving strikes fell to its lowest point in seven years, with the exception of FY 73 when controls were imposed. The rate of contract rejections by union members was the lowest in 10 years, again with the exception of FY 73.

There were three major work stoppages in FY 76 and the transition quarter. Some 450,000 members of the Teamsters union, the over-the-road truckers of this nation, staged a three-day walkout in April to support their demands for a new contract and higher wages. Some 60,000 members of the United Rubber Workers union, employees of the big four tire manufacturers — Goodyear, Goodrich, Firestone and Uniroyal — went on strike April 21 and remained off the job until late in the summer with workers returning at various dates between August 29 and Sept. 8 as special provisions with each company were worked out and the agreements ratified by the various locals. The third major strike occurred Sept. 14 when some 170,000 employees and members of the United Auto Workers struck the Ford Motor Company. The strike lasted until Oct. 12.

In general, however, strikes were the exception rather than the rule. In no industry was this more clear than in construction. In FY 76, the Service recorded 281 building trades strikes in contrast to more than 400 in both the two previous fiscal years. The transition quarter saw 61 construction work stoppages compared to 82 in the same three months a year earlier and 118 two years before.

Modest Wage Gains

FY 76 and the transition quarter were normal in other ways. Without the double digit inflation that rocked FY 74 and FY 75 bargaining years, wage demands fell and settlements typically were modest. In the beginning of FY 76, contracts rose at an average rate of 8.7 percent over the life of the agreement and 11.3 percent in the first year. By the end of the transitional quarter, the rates had fallen to 7.3 percent and 10.2 percent.

Instead of inflation, job security became the new hot item in collective bargaining. The Ford strike focused primarily on the UAW's demand for additional paid days off. The union came to the negotiations asking for 13 additional paid days off a year; and the final agreement provided for 12 over the length of the three-year contract. But in the words of union officials, the door had been "opened toward the future" and the possibility of moving toward a four-day work week.

The UAW's position reflected the growing recognition that even with a boom in the auto industry, many former auto workers were still on layoff. Higher productivity had decreased the overall need for labor. Moving to fewer days,

according to some union officials, is o way to cut back on unemployment spreading around the available work.

Supplemental Benefits

The experience in the auto indust taught both sides a lesson, and one the did not escape the labor movement general and the American people. Wirout the supplemental unemployment benefit programs negotiated by the UA with the automakers in the past, the la offs in 1974 and 1975 could have he devastating impact on the auto work themselves, their dependent families at their communities.

As it was, the SUB benefits cushion the blow of economic deprivation as enabled most workers to subsist for tended periods of time until they we recalled or found other jobs. As a resistoring up and strengthening the Stunds in the auto industry became of the important goals in this year's attalks. Unions in other industries looking seriously at similar programs at the United Steelworkers of America exploring the idea of demanding sof form of lifetime job guarantee as part the demands to be placed before the standard transfer in 1977.

Return to Longer Pacts

There was normalcy, too, in the ret of the trend to longer contracts. The prentage of three year or longer contract increased to 55.3 percent while the prentage of one year contract renew stood at 15.8 percent. In FY 73, with application of controls, the percentage three-year and longer contracts felt 49.7 percent of all renewals while

ercent of one year contract renewals tree years ago stood at 18.3 percent.

But to say that all was as it was in the halcyon days of the middle 1960's ould be in error. Though inflation came own from its double digit heights (it ll into a 6 percent range at year end), was still about double what would two been considered normal and acceptable a decade ago. And while unemployent figures retreated from their peak cession high of almost 10 percent, they all stood at 7.9 percent at the end of the reporting period—once again, about the output what was acceptable 10 years before.

le Role of the Service

The Service responded to the challiges of collective bargaining during the 1-month period in many ways. The ICS posted its highest caseload figure history, although the total number of pvate sector joint meeting cases decided slightly.

in the beginning, there was a great dil of apprehension about bargaining in construction industry. A number of eints, including the President's veto of a emmon situs picketing bill, had combed to cause many to fear unrest and usase in the upcoming talks.

The FMCS responded by assigning rediators to keep tabs on 200 important as where construction negotiations will take place. This early monitoring bled federal mediators to join the ass quickly if needed. However, the aging construction industry economy the probably had more to do with the prefer to the settlements in the industry than

direct FMCS involvement, particularly the strong competition by open shop or non-union companies that forced labor unions in the industry to moderate their demands to protect employment.

As several of the cases that follow illustrate, the Service and its mediators worked hard whenever possible to save jobs and plants by getting unions and companies to work out livable relationships.

The Service also experimented and

adopted prenegotiation case assignments where practical. Thus a mediator, knowing that he or she will be assigned to a particular set of negotiations when they begin, can make contact early and see if any problems appear even before the parties sit down at a table.

Settlement Recommendations

In three major negotiations, the Service found itself in a position that virtually forced the mediators assisting in



the talks to make settlement recommendations. This occurred in the nationwide truckers strike, in the URW-rubber industry strike and in negotiations between the major canneries of California and various Teamster locals. Even when successful, settlement recommendations are not as good as an agreement worked out between the parties themselves, in which full responsibility is accepted by the parties. However, it has become the position of the FMCS in recent years that the agency has an active rather than a merely passive role to play in settling work stoppages and improving labormanagement relations, and if recommendations are the only thing that can avert a longer strike, mediators will make them.

The following cases, some large, some small, represent a sampling of the disputes that mediators were involved in during FY 76 and the transition quarter. A statistical analysis of the work done during this period appears in the next chapter that follows.

Electric Boat

The longest major strike in FY 76 began on 1 July 1975 and lasted until 1 December 1975. It involved the Electric Boat Division of the General Dynamics Corporation and 10,000 workers who were members of 13 different unions represented jointly in bargaining by the Metal Trades Council of Groton, Conn., home of the company.

The negotiations stalled early over the work practices issue. The company sought far-reaching changes to the procedures then in effect. The MTC sought

protection for its members and also better working conditions. Friction between both sides was high and morale low because of incidents during the term of the previous contract.

Once the work practices issues were resolved, wages became as tough an issue.

The national director of the service along with a national representative, a field mediator from the Hartford, Conn., office and a mediator from the state of Connecticut held negotiations in Groton, in Boston and in Washington, D.C.

When a new contract was finally reached, both sides pledged themselves to making a sincere effort to improving their relationship.

The strike was especially significant, in addition to its impact on the economies of both Connecticut and Rhode Island, because the Electric Boat Division is the chief supplier of submarines for the United States Navy, including the new Trident submarine.

Northwest Foundries

Negotiations involving some 3,000 members of Molders local union 158 involved a number of firms in Washington, Oregon and Southern California producing castings and machine parts. The expiring contract covered all employers in this area. Several employer proposals resulted in rejections by the union membership, and strikes ensued. Separate agreements eventually were achieved in each of the states. The work stoppages lasted 57 days in Washington, 58 days in Oregon, and 65 days in California.

Piper Aircraft

One of the greatest accomplishmer possible for a mediator is to save a pla threatened with closure and preserve t jobs and income for the community.

That's what happened at Lock Have Penna., where Piper Aircraft Corporati operates a private aircraft assembly pla with workers represented by Local 7 of the International Association of N chinists.

The president of the company public announced a phaseout of operations a work force reductions because of we practices that prevented an acceptarate of productivity. The parties we four months into an existing three-ye contract.

After a series of sessions, the med tor persuaded the union to agree to series of work practice changes. It company agreed to halt the shutdo for a six-month trial period to determ whether the changes would be sufficited to warrant continued plant operation.

During this period the mediator regularly with the parties, helping to i out difficulties and grievances as the arose. None of the grievances requiarbitration for settlement.

At the end of three months, the paragain amended their agreement to phibit any work stoppages in the forestable future. They agreed that if twere unable to settle on terms for the next contract, any unresolved is a would be submitted to final and bindarbitration.

Improved productivity and secu against work stoppages saved this op tion for this community which alre nad a very high rate of unemployment.

The parties have an amicable continung relationship, and the company plans o expand operations to boost employnent over the 2,000-man level. Moreover, the Piper experience prompted the ock Haven community to establish, with the assistance of the mediator, an rea labor-management committee to work to improve overall labor-managenent understanding and cooperation in he Lock Haven area.

Jughes Aircraft

A plant owned by the U.S. Air Force nd operated by Hughes Aircraft Comany at Tucson, Ariz., engaged in a contract dispute early in FY 76 with the Machinists union. The facility is used for the development and production of military armament, including air-to-air and ground-to-air missiles, for all three branches of the armed services.

Intensive mediation efforts took place prior to the contract expiration, but a work stoppage developed on Oct. 30. Subsequent mediation efforts, including assistance from a national office representative, resulted in resolution of the dispute on Dec. 4.

Electrical Manufacturing

The General Electric Company reached agreements with a dozen unions repre-

senting some 130,000 employees. Pacts with the International Union of Electrical Workers (IUE) and United Electrical Workers (UE) set the pattern for the others.

The agreements were reached without a strike in a spirit of cooperation and understanding between the company and the labor groups. The agreements called for increases of 60 cents an hour during the first year, or 10 percent for salaried workers, plus 4 percent or 25 cents in the second and third years. The pacts run to June 1979.

The greatest difficulty in the negotiations related to the living cost clause. As negotiated, it provides for one cent



torts of the Service to tame a tendency toward wildcat work stoppages in the coal industry is explained to members of Congress. Here national rector James F. Scearce, second from right, tells about FMCS-sponsored program to school miners to adhere to established grievance procedures. testing to their support are Arnold Miller, right, president of the United Mine Workers, and Joseph Brennan, second from left, President, Bituminous al Producers Association. William P. Hobgood, left, is Associate Director, FMCS Office of Mediation Services.

per hour for each 0.3 percent rise in the Consumer Price Index to a maximum of 7 percent. There is a 7-to-9 percent corridor exempting the company from payments in this CPI area, but increases above 9 percent will retrigger the formula.

When the same unions moved into negotiations with the Westinghouse Electric Corporation, similar three-year contracts were ultimately agreed to, but only after a period of scattered work stoppages extending over an eight-day period.

The principal difficulty was over pension provisions. Although Westinghouse matched most terms contained in the GE contract, trouble arose over pensions because, unlike GE's program, the Westinghouse retirement plan does not include employee contributions, thus complicating parity. Federal mediators were active throughout the Westinghouse talks.

Laclede Gas

The Laclede Gas Company is the sole supplier of gas for industrial and residential use in the St. Louis area. A work stoppage was avoided in negotiations between the company and the Oil, Coke and Chemical Workers Local 5-194, but only after protracted mediation efforts over a six-month period. Over 1,600 employees were involved. Settlement came after 59 joint conferences with the parties on recommendations made by the Region 6 regional director of the Service.

Gulf States Utilities

A six-month strike involving some 2,300 employees marked the early FY 76

negotiations between the Gulf States Utilities Company and Local 2286 of the International Brotherhood of Electrical Workers. Although the utility continued to operate, there was substantial impact on the Beaumont, Tex., area. Some 35 joint conferences with the mediator were required before final settlement was reached.

Hanford Atomic

A work stoppage of more than three months' duration seriously affected production and construction work at the Hanford, Wash., atomic complex. The dispute involved the four firms operating the vast facility for the Energy Research and Development Administration in a wage reopener with the Hanford Atomic Metal Trades Council, representing some 2,000 craft union members.

For a time, this dispute affected nearly 7,000 additional construction and maintenance workers, until picketing arrangements were altered to permit construction workers to resume work.

Federal mediators held 22 joint meetings with the parties, including four in which the Rev. Leo Brown, chairman of the Atomic Energy Labor Relations Panel, participated as a panel member.

Persistent mediation brought the parties into agreement on wage increases ranging from 9 to 11 percent, plus additional increases for skilled workers. Certain issues, including revision of the cost-of-living formula and changes in craft wages, were left to a joint committee study to be chaired by a federal mediator. These issues will be taken up

when new contract negotiations begin i March 1977.

Gold Mining

The Homestake Gold Mines at Lead S.D., is the largest gold mining propert in the United States. When 1976 negotiations began with the Steelworker union, a dispute was still in progress is regard to administering a unique claus contained in the previous contract, a agreement which ended a 42-day strik. The clause provided for payment of a employee bonus based upon increases the price of gold. The new contract reached without a work stoppage, settlet the pending dispute over the past disponus and clarified the clause for the future.

West Coast Construction

Basic crafts representing some 3,00 Arizona workers engaged in an 18-da strike during contract negotiations with the state's contractors. A mediator conducted numerous joint meetings with the parties both before and after the worstoppage began. His efforts ultimate resulted in a settlement, with the assistance of discussions by the construction coordinator of the Service in Washinton with national officers of the affect crafts.

A series of strikes developed in Nortern California during negotiations to tween various locals of the Internation Association of Electrical Workers at the National Electrical Contractors association. For 40 years prior to the negotiations, impasses had been resolve through the interest arbitration produres between the IBEW and NECA.

egotiations involved in the California egotiations chose to terminate these rocedures, with resulting strikes involving some 5,000 workers and hundreds of ompanies in the Northern California rea. Seven mediators were involved in solving these situations and, while parate agreements were reached, a genal pattern was followed in all the ettlements.

Bricklayers in the Los Angeles area igaged in a 60-day work stoppage arking negotiations with the California inference of Masonry Contractors. A inel of mediators conducted 11 joint inferences in assisting in the settlement.

ulifornia Frozen Foods

Negotiations between frozen food pocessing companies throughout Califrnia and three Teamster union locals ivolved a disagreement between some the locals, complicating mediation effets. Three locals negotiated as the rozen Foods Employees Council," representing some 3,600 workers in struck pints in Modesto, Santa Maria and Salas on August 26, 1976. Within a week threafter, two other Teamster locals presenting approximately 60 percent of the frozen food industry reached agreement without a strike, setting a pattern ulimately accepted by the striking locals.

Close coordination by the mediation piel and the top union leadership was intrumental in resolving the dispute.

Rober Industry

four-month strike—the longest natival walkout of FY 76—involved most mor producers in the rubber industry.



Negotiations in Washington led to settlement of a 12-week strike involving four plants of Lever Brothers, Inc. Frank Martino, President, International Chemical Workers (AFL-GIO), left in picture, participated in the talks with Donald Doherty, Deputy Assistant Director of Mediation Services. FMCS worked later with parties in improving their relations.

Contrary to prior years, when the United Rubber Workers concentrated strike action against a single major producer, these negotiations were marked by simultaneous strikes against the Firestone, Goodrich, Goodyear and Uniroyal rubber companies, or so-called Big Four.

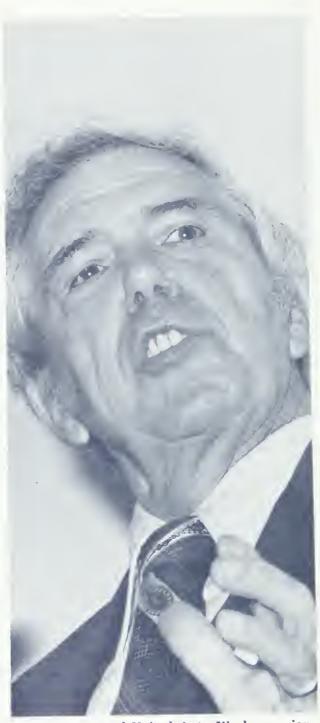
The union picked Firestone as its negotiating "target" in order to reach initial agreement and then seek the same terms from the others. Well before negotiations began, it was generally speculated that a serious strike would ensue because employees in the industry had fallen behind those in other industries, especially in the auto industry where there had been a traditional relationship.

The companies therefore were faced with particularly heavy demands including a sizeable increase in wages and a full living cost escalator clause, never before negotiated in the rubber industry.

Talks progressed very slowly. Representatives of the Service worked on all the major negotiations, but it was clear that the union was bent upon maintaining its strategy to settle first with Firestone.

Factors contributing to the unusual length of the stoppage included the facts that the automobile companies had built up huge stockpiles of tires and, as these diminished, shipped new cars to dealers without a spare tire; a number of non-URW plants kept up significant production; URW union locals decided against striking General Tire and Kelly-Springfield, major producers, and Canadian plants shipped tires to the States.

Nevertheless, the stoppage at the Big Four companies maintained its effectiveness, while mediators strived to break



Douglas Fraser of United Auto Workers union addresses meeting of FMCS mediators. Fraser was elected later as President of UAW.

the deadlock. During the last month or so of the strike a top representative of the Goodyear company joined in the Firestone negotiations as an adviser for the industry.

The national director of the Service together with the Secretary of Labor called the parties to Washington on several occasions in making every effort for an agreement. Finally, these two official together with a national office representative and a field mediator made format recommendations to both sides for settlement package covering all principalissues.

These terms were accepted and ultimately ratified by the union membership at Firestone, and later spread to the resof the industry. An interesting feature of the recommended settlement, as accepted by the industry, is a commitment to establish a committee to study the industry's labor relations problems with the view to avoiding costly, prolonge strikes in the future.

Boston Shipping Association

Most of the 1975 Coast and Gulf Coast port negotiations between shippers and the International Longshoremen's Association were settled without work stoppages. However, in Boston a number of issues including the Guaranteed Annual Wage Income issue created problem which resulted in a week-long strike by some 600 longshoremen.

A panel of mediators was augmented with the appointment of Dr. James Heal of the Harvard University School of Business to the panel. Dr. Healy has have extensive experience in waterfront collective bargaining.

The settlement of the strike was eached when the parties, with the aid of the panel, found a formula for applying the East Coast settlement to the particular problems at Boston. A unique ondition was that the panel retained versight responsibility. Accordingly, the anel met from time to time with the arties for a year in helping them iron ut problems arising under terms of the AI plan. As a result, only three days f work were lost during that period in rotests against eligibility rules which were in controversy.

rucking

Topping significant bargaining situatons during the fiscal period were the egotiations involving the Teamsters aion representing some 450,000 emoyees of the over-the-road trucking dustry. A principal issue was the nion's demand for an uncapped costilizing wage rate escalator.

A three-day strike occurred before ettlement. On the second day of the alkout several motor carrier organizations reached agreement with the union, he union also began signing "interim" reements with a number of individual acking employers. Another important ctor was that none of the drivers in e Chicago area joined the walkout in hat was otherwise a solid strike roughout the Nation.

The emerging three-year agreement led for wage increases of \$1.65 over three-year period, plus the uncapped ing cost clause, as well as substantial creases in pensions and other fringe nefits.

Assistance was provided to the parties

in the negotiations, conducted in the Chicago area, by a panel which included the director of the Service, the Secretary of Labor, and national and local representatives of the Service.

Metropolitan Edison

A large electric utility firm, Metropolitan Edison Company, employs 2,500 workers at Reading, Penna. A strike was threatened by the union, the International Brotherhood of Electrical Workers, but the mediator obtained a 30-day extension and helped negotiate a two-year agreement. An 8.5 percent increase was provided during the first year, with a wage reopener in the second.

General Time

The Westclox Division of the General Time Corporation operates a plant with 2,000 employees and is the major employer in Peru, Ind. A lengthy strike had taken place in negotiations three years earlier. When the contract came up for renewal, the negotiations were marked with employee refusals to work overtime and some employee suspensions. The mediator kept the talks going. As the strike deadline approached, he obtained a series of day-to-day extensions and eventually an agreement was reached without a strike.

California Canneries

One of the major strikes in the nation during this fiscal period involved the California Processors Inc. and various Teamsters locals throughout California, affecting 28 cannery companies and up to 85,000 employees. The work stoppage

had a severe impact on growers and shippers of food products at a time when crops were ripening for market.

The Service conducted a total of 44 joint mediation sessions. When the strike developed, the sessions were transferred from California to the national office in Washington. The national director, deputy national director, national food coordinator and two California mediators made up the panel seeking settlement. After five days of round-the-clock negotiations, an agreement was reached on the basis of terms recommended by the national director and the panel.

The contract called for an average wage increase of 54 cents an hour during each of the first two years and a 52-cent increase in the third year, or a total of \$1.60. The cannery workers averaged \$4.93 an hour before the strike began.

Shirt Industry

An agreement for a new contract between the shirt manufacturing industry and the Amalgamated Clothing and Textile Workers Union, representing 30.000 workers, was reached just hours before a strike deadline.

More than 30 hours of marathon negotiations in the national office of the Service by the national director and a national representative resulted in the new three-year contract agreement. The national director earlier had obtained a five-day extension of the expiring contract.

The new agreement contained wage increases, improved health and pension benefits, and cost-of-living protection.

Jacksonville Shipyards

Approximately 2,000 members of Boilermakers' Local 805 began a work stoppage in June 1976 at Jacksonville (Fla.) Shipyards Inc. The mediator had conducted seven joint meetings prior to the strike and continued meeting with the parties. After the company added one additional holiday and certain living cost adjustments in the second and third years of the agreement, the terms were approved and the strike ended.

Central Foundry

Another situation in which mediation helped pave the way toward a contract settlement, and quite possibly avoided closing a work facility employing over 300 people, involved the General Foundry Company at Holt, Ala., and Local 455 of the Machinists Union.

There had been a long history of strikes at this facility and the company faced serious financial problems. A walkout might have closed the plant for good.

After the company made a full settlement offer, the union membership turned it down. After further negotiations, substantially the same package again was put to a membership vote and this time the offer was approved.

After a change in ownership, the company still was experiencing difficulties some months later when negotiations began with the Molders Union. Here again with the assistance of mediation a work stoppage was avoided and another three-year contract negotiated, thereby providing more time for the company's recovery.

Boeing

The Boeing Company is the largest employer in the state of Washington and any work stoppage at its facilities could cause serious economic disruption. It is a major producer of commercial and military aircraft and space hardware. Mediators assisted in a contract renewal agreement between the company and the Seattle Professional Engineering Association in protracted negotiation. Some 31 joint conferences were needed to resolve the impasse. The final joint conference extended more than 26 hours resulting in a 34-month contract that provided, among other things, for a 36 percent increase.

Allied Products

The Allied Products Corporation plant at South Bend, Ind., is a metal stamping plant producing component parts for Ford, Chrysler and General Motors. Most of the tooling and dies are owned by the auto companies. Negotiations with Local 5 at the United Auto Workers union resulted in a nine-day strike during which the auto companies threatened to remove their tooling from the plant unless there was a quick settlement. Some tooling was so removed with a loss of 275 jobs. However, the mediator helped the parties reach a settlement that preserved the plant and the large majority of the jobs.

Forster Manufacturing

A tentative agreement was reached early in 1976 between the Forster Manufacturing Company and the United Paperworkers International Union, Local 405, for a plant at Wilton, Me., employ ing some 400 workers. However, the agreement was rejected by the unior membership and a strike ensued.

The impasse lasted two months and ended when the mediator, who had conducted 11 joint meetings with the parties decided to ask the Governor of the State to call the parties to his office. A talk by the Governor on the responsibilities to their community helped prod both side into revising their positions and a settle ment was achieved.

Aeronca, Inc.

Negotiations between Aeronca, Inc and Machinists union Local 2535 began at Middletown, Ohio, with some 75 is sues between the parties. A strike of 108 days involved the 330 bargainin unit employees. Hard feelings between the parties gradually subsided durin some 15 joint meetings with the media tor, resulting in settlement.

General Telephone

A seven-month strike involving nearl 1,200 employees took place at the General Telephone Company of Kentucky, Elexington, by the Communication Workers of America. The issues wernumerous and the negotiating progress was exceedingly slow. A panel of mediators helped resolve the situation, ending the strike after 13 joint meetings.



Chapter III

Public Employee Bargaining

If ever there was an age of innocence in public sector bargaining, it came to an end in FY 76. The impact of developments in the world economy, with the continuing effects of its energy crisis, the recession and continuing though diminished inflation significantly changed the climate of public sector labor relations during this period. This change in climate, with its fiscal constraints and tougher negotiations, contributed to a substantial increase in FMCS activity in public sector bargaining in FY 76.

While the manifestations of this changed climate in public sector bargaining have been diverse and complex, they have affected all levels of government in somewhat similar ways. At the federal level, perhaps the first signal of this changed climate was the pay raise action in Congress. Although the Civil Service Commission and the Office of Management and Budget recommended a pay hike of 8.66 percent, the President issued an alternative plan to limit the 1975 General Schedule increase to 5 percent. Contrary to some expectations, Congress accepted the alternate plan. This belt tightening action at the federal level insofar as public employee

salaries were concerned reflected the general mood of the country, a mood that showed up time and again in state and local negotiations.

Another significant event bearing on FY 76 was the President's signing of Executive Order 11838, changing the federal government's labor relations program under Executive Order 11491. The major changes established procedures to facilitate the consolidation of smaller, inefficient bargaining units into fewer, larger ones; to broaden the scope of bargaining by weakening the authority of internal agency regulations to bar negotiations on conditions of employment; to make the scope of grievance procedures in contracts subject to bargaining; and, perhaps of greatest importance in terms of its impact on FMCS, to provide for negotiations on certain types of changes in conditions of employment during the term of a labor agreement.

At state and local levels, diminished revenues brought about by the recession, increasing government costs brought about by inflation, resistance to higher taxes by a public caught between the recession and inflation resulted in stiffened public and political resistance to public sector union demands for large wage increases.

Tougher bargaining not only limited wages, it also gave rise to demands for improved productivity, for revisions of pension benefits and for union concessions on inefficient work rules. The public employee unions in addition to adapting to current realities of collective bargaining, in some instances went on record supporting improved public man-

agement, tax reforms and other measures needed to solve some state and local government problems.

Judicial developments also had an impact on public sector labor relations. In particular, the Constitutional issues raised by the Supreme Court's decision in National League of Cities v. Usery lessened, in the opinion of many, the likelihood of a federal public sector bargaining law for state and local employees. In essence, the Court held that the states are protected under the Constitution from federal regulation of state employment practices.

Although pressures on both sides have become more intense today, public sector bargaining relationships are taking place within an increasingly explicit framework. At the federal level, Executive Order 11838 is one example. At the state and local level, the trend to enact public sector bargaining legislation continues.

By January 1976, 37 states had collective bargaining statutes covering all or some categories of public employees. In one additional state, Arkansas, an attorney general opinions authorized collective bargaining; in Illinois, state employees may bargain under a 1973 governor's executive order; and in New Mexico, the state personnel board has issued regulations authorizing bargaining and establishing procedures. Thus, there are only 10 states with no authority for some form of public sector bargaining. Of the 37 states with public sector bargaining legislation, 30 provide for factfinding procedures and 21 provide for arbitration in some or all disputes. Seven states grant the right to strike, subject to certain limitations: Alaska, Hawaii, Mirnesota, Montana, Oregon, Pennsylvania and Vermont.

FMCS In The Public Sector

The changed climate of public sector bargaining as well as the expanding legislative or executive authorization for collective bargaining at the federal state and local levels contributed to increased FMCS activity in the public sector during this last year. Overall, the was a 69 percent increase in the total number of public sector cases closed during FY 76. This represents a 24 percent increase in the number of feder cases closed and a 152 percent increase in the number of state and local case closed.

The changed climate of public sector bargaining, particularly at state and loc levels, also resulted in many more difficult dispute cases, especially in public education cases, where school board and teacher unions had particularly difficult situations to resolve.

Although the changed climate of pulic sector bargaining was a factor, the increased authority to bargain and the growth of public employee unions we the principal reasons for the sharp increase in public sector cases.

Federal Executive Order 11838 contributed in part to the increased feder sector case load of the Service for I 76. The order broadened both the sconof bargaining and the scope of the negliated grievance procedure, providing the parties with many more substantive sues for negotiations. The provision

ealing with midterm bargaining changes so have the potential for significantly creasing the need for mediation assistace. Although this impact has not yet en felt because of the recency of the langes, the Service's policy of providg assistance in each case shall be connued.

At the state and local level, states with cently passed legislation for public secrelabor relations were a key factor afcting the case load of the Service in FY. Two states, Iowa and Florida, which cently enacted public sector legislation at 49 percent of the total FMCS state and local cases during FY 76. Both states rquested FMCS assistance. The other tro most active states, Illinois and Ohio both without public sector laws or leal mediation agencies, but with active tions—had 29 percent of the total MCS state and local public sector cases.

The large concentration of FMCS publisector cases in these four states refets the Service's policy of generally ferring to state and local mediation encies in state and local employee barging, while also assisting state and hal governments in establishing and sengthening their own mediation agents. At the same time, the FMCS also intains a policy of assisting in public extending the same to a local mediation is king or where the Service's assistance requested by a state or local mediation ency.

L-ge Increase

MCS assistance in state and local lab-management negotiations increased matically during FY 76. Both the increase in bargaining and the difficulty of



Among speakers at the FMCS seminar at New Orleans was William Lucy, Secretary-treasurer, American Federation of State, County and Municipal Employees.

negotiations attributable to the economic factors mentioned contributed to the increase. All told, federal mediators were involved in 665 cases, an increase of 152 percent from FY 75. The total number of meetings, both joint and separate, increased even more—1,990 in FY 76 compared to 841 in FY 75.

Of the 665 cases, 517 involved director mediator participation at the bargaining table and 483 of the cases were closed with a new agreement reached. Strikes occurred in 44 cases, or 6.6 percent of the total caseload.

Public education disputes were the largest single category. Federal mediators were involved in public sector bargaining in 42 states, the District of Columbia and the Virgin Islands. This represents an increase of 38 percent in total jurisdictions from FY 75 when only 32 states were involved. Forty-six unions or joint labor bodies were involved in the negotiations.

Two states, Iowa and Florida, both with recently enacted collective bargaining laws, accounted for 49 percent of the total FMCS caseload in FY 76. They also affected the FMCS average bargaining unit size, as many small jurisdictions in both states contributed significantly to the increase in bargaining units with fewer than 100 persons. See table 1.

As table 2 indicates, the tougher bargaining climate had an impact on the issues at the bargaining table. Wages continued to be the dominant issue, as in FY 75, followed by pension, insurance and contract terms; however, these issues showed up more intensely than in past years. Another factor: management prerogatives were an issue in 43 percent

Table 1
Size of bargaining units in federal and state and local negotiations for fiscal years 1975 and 1976

	Fed	deral*	State an	d Local
Number in Bargaining Unit	FY 75	FY 76	FY 75	FY
1.000 +	13	14	8	8
500–999	13	11	6	1
100–499	36	36	41	3
1–99	38	39	45	4
	100	39 100	100	100

^{*}Based on 479 cases in FY 75 and 592 cases in FY 76

Table 2

Frequency by percentage of issues in federal and state and local negotiations in fiscal years 1975 and 1976

legua		eral* FY 76	State	Loca FY 75	el# FY	
Wages Union security Seniority Grievance procedures- arbitration Guarantees Vacations, holidays Hours, overtime Pension—insurance	8 23 21 47 16 13 33 2	FY 76 10 15 16 53 17 10 15	95 23 23 36 32 27 27 27 27 32	95 32 16 26 32 53 32 65 47	94 17 14 24 25 38 27 57 22	95 27 33 43 48 27 62
Management prerogatives Duration of contract Job classification Working conditions Noncontract grievance Other	43 35 18 51 4 27	40 33 20 45 3 26	64 23 32 — 9	63 16 42 — 5	47 17 28 2 8	49 28 40 .5

^{*}Based on 173 cases in FY 75, 240 cases in FY 76

^{**}Based on 264 cases in FY 75 and 665 cases in FY 76

^{**}Based on 22 cases in FY 75, 19 cases in FY 76

[#]Based on 185 cases in FY 75, 498 cases in FY 76

of all negotiations in FY 76 compared to only 22 percent in FY 75, reflecting management's tougher attitude.

The following summary cases are typcal of state and local cases handled by nediators in FY 76 and the transition uarter.

'irgin Island Teachers

Both the Department of Education of ne Virgin Islands and the American ederation of Teachers requested aid rom the Service in the resolution of a ontract dispute involving some 1,400 chool teachers in St. Thomas, St. John and St. Croix.

An impasse resulted in a 36-day strike. ended in mid-February 1976 after the ational director dispatched a troublemoter to the islands. He convinced the arties to end the work stoppage and abmit their wage differences to final ad binding arbitration.

ty of Baltimore

More than 25,000 employees repreinted by six different labor organizaons were involved in mid-1976 in conlict bargaining with the city of Baltiore. Negotiations began in January and, the mid-year deadlines neared, the y was threatened with work stoppages ecting essential municipal service.

The negotiations were complicated by the fact that, while the city had discovered the possibility of a 5.5 percent vige increase, the mayor later annunced that the city treasury could affed increases of no more than 2 percent. That was the situation when a federal material diator entered the case in May. Trough intensive mediation he was able

to assist the parties to reach a settlement prior to the June 30 deadline with the Certified Municipal Employees Association, an independent union with 10,000 members.

By securing a series of contract extensions delaying any possible work stoppages, the mediator then helped achieve settlements with unions representing firemen, office and sanitation workers, community college faculty members, nonprofessional teachers and school guards, and city hospital and health care nurses.

The two-year agreements, by and large, provided for wage increases of 4 percent per year, plus additional changes in some fringe benefits.

Broward County Schools

It took seven and a half months of on-and-off bargaining to reach an agreement in a dispute involving the Broward County (Fla.) School Board and its Classroom Teachers Association. This case involved about 7,000 teachers in elementary and high schools in the nation's 12th largest school district with an annual budget of some \$265 million.

A federal mediator participated in the last two months of the negotiations, involving 13 joint meetings with the parties. The resulting two-year agreement limited the size and number of classes required of teachers and increased salaries.

Cincinnati Police

Mediation of a dispute involving some 1,200 members of the police force of the city of Cincinnati was proposed by the union, the Fraternal Order of Police,

Table 3

State and local government cases by function of government in fiscal year 1976

Function	No. of Cases	Percent of Total
Schools	388	58
Unidentified	65	10
Law Enforcement	52	8
Fire	47	7
Utilities & Public Works	45	7
Higher Education	27	4
Transportation	18	3
Health Care	16	2
Highway	4	
Combined	1	4
Library	1	ı
Dock Workers	1	
Total	665	100

Lodge 69. Acceptance of mediation by the city was conditional on the police ending an unofficial slowdown in issuing traffic violation tickets. The possibility of a work stoppage was present.

Recommendations by the mediator, although rejected by the city, paved the way for additional meetings between the parties and eventually to an agreement.

Kansas City Schools

The Service again was able to assist the Kansas City School District and Local 691, American Federation of Teachers in reaching a contract agreement. A year earlier in 1975, mediators helped resolve a month-long strike between these parties. Some 90 public schools, 50,000 students and 3,300 teachers were involved in the bargaining situation.

The 1976 negotiations resulted in a peaceful settlement, but only after most difficult negotiations. The parties had some 53 unresolved items when they requested mediation assistance, but seven days of long and difficult sessions with the mediator resulted in an agreement.

Hawaii

Negotiations involving some 7,600 blue collar workers represented by the United Public Workers and by the state and counties of Hawaii reached a crisis stage in August 1976. The Hawaii law permits strikes by public employees.

In this dispute, the Hawaii Public Employment Relations Board found that an impasse existed and appointed the resident federal mediator to mediate the case. Some 19 joint meetings were held with the parties, plus a number of sidebar sessions, before agreement was

Table 4

Unions utilizing FMCS in Federal service disputes in fiscal year 1976

Union	No. of Cases	Percent of Total
AFGE NFFE NAGE IAFF IBEW IAM SEIU MTC ANA Assn. of Civ. Tech Laborers IBT NMUA IFFP	350 86 30 17 12 10 10 8 7 6 4 4 3 3	59 14 5 3 2 2 2 1 1 1
IFTPE Op. Engrs. OCAW Nat. Treas. Emps Patent Off. Prof. Assoc	3 2 2 2 2	3
Unions With 1 Case Each.	31	5
Total	592	100

Table 5

State and local cases closed by state in fiscal year 1976

io y o concerni		
State	No. of Cases	Percel of Tota
Iowa Illinois Florida Ohio Kansas Alaska Washington Vermont Idaho Missouri Alabama Oklahoma Tennessee Colorado Arizona Arkansas California Delaware Indiana Louisiana Maryland Montana New Hampshire New Mexico Texas West Virginia 7 states and D.C. with 6 states with	11 10 10 6 6 6 6 5 4 4 4 4 4 4 4 4 4 4 4 4 4	31.0 23.0 18.0 6.0 3.0 2.9 1.7 1.5 1.5 .6 .6 .6 .6
	665	100.

eached. There had been some 54 issues o resolve.

Since settlement terms must be approved by the legislature, the negotiated conomic increases could not go into impediate effect but, if approved, were to e retroactive to July 1, 1976.

tate of Alaska

Two disputes among employees of the tate of Alaska threatened to interrupt ssential services in April 1976. One inolved some 750 supervisors represented y the Alaska Public Employees Associaon and the other some 1,500 employees f the Tri-Trades Public Service Council. Vhile a strike took place affecting the upervisory workers, effective mediation ssistance kept its duration to only nine ays. Simultaneous negotiations with the ri-Trades group, involving nine joint essions, succeeded in achieving agreeient without a work stoppage, although iese workers had threatened to observe 1e supervisor's picket lines. Any stopage by the latter group could have shut own airports, hospitals and bridges, nereby affecting delivery of materials to ie trans-Alaska pipeline project. The rediator assigned to the state of Alaska ontinues to assist the labor-management ommunity throughout the state.

pward Trend

The upward trend in the number of deral service cases noted in FY 75 connued in FY 76. The FMCS monitored or ediated 592 contract negotiations in FY 3, an increase of 24 percent over FY 75, and held 928 joint and separate confernces, an increase of 45 percent over the imber of such conferences held during Y 75. These increases in part reflect the

Service's policy of encouraging collective bargaining in the federal sector, and providing mediation assistance whenever necessary.

Of the 592 cases in FY 76, 240 required joint conference meetings with mediators at the bargaining table. In other cases, mediators met separately with one or both parties, or assisted in some other way. In 71 percent of the cases—422—an agreement was reached. The remaining cases were either referred for resolution to the Federal Service Impasses Panel, the Assistant Secretary of Labor for Labor-Management Relations, the Federal Labor Relations Council, or were closed for lack of bargaining.

The negotiations involved 44 federal agencies—an increase of 22 percent from FY 75—50 unions and all 50 states plus the District of Columbia, Puerto Rico and the Virgin Islands. As in FY 75, the heaviest bargaining occurred in California (51 cases) followed by Texas (46 cases), the District of Columbia (40 cases) and New York (29 cases). See Table 6.

The issues at the bargaining table in federal service cases involving federal mediators in joint conferences are shown in table 2. These issues reflect the pattern of bargaining under the Executive Order. Principal issues have remained fairly constant. In both FY 75 and FY 76, the four principal issues were: working conditions, grievance procedures and arbitration, management prerogatives and the duration of the contract.

The following cases illustrate typical federal sector negotiations involving federal mediators in FY 76 and the transition quarter.

Table 6
Federal cases closed in fiscal year
1976 and transition quarter
by state

State	FY 76	TQ
California	51	12
Texas	46	8
District of Columbia	40	8
New York	29	5
Illinois	24	10
Virginia	23	6
Missouri	20	š
Colorado	19	4
Florida	19	4
Ohio	19	2
Georgia	16	2
Maryland	14	ī
Washington	13	6
Arizona	13	_
Alabama	12	3
Massachusetts	12	2
New Jersey	12	2
Kentucky	11	2 2 2
Louisiana	11	1
Wisconsin	10	2
Oklahoma	10	2
Minnesota	10	1
Alaska	10	_
New Mexico	9	1
Michigan	8	2
Arkansas	7	4
Mississippi	7	1
Tennessee	7	1
North Carolina	6	5
South Carolina	6	4
Oregon	6	3
Nebraska	6	2
Utah	6	2
Hawaii	6	1
Montana	6	1
South Dakota	6	_
	5	_
Kansas	4 3	_
Indiana	3	5 2
Nevada	3	2
Idaho	3	1
lowa	3	1
Puerto Rico		1
Wyoming	2 2	
Virgin Islands	2	
New Hampshire	1	
North Dakota	1	
Rhode Island	i	_
Vermont	i	_
West Virginia	i	_
Maine		1
Guam	_	_
	592	107
	J32	127

Immigration Service

Negotiations involving 6,000 employees of the Immigration and Naturalization Service, including the Border Patrol, represented by the American Federation of Government Employees, extended over a period of more than six months. A panel of mediators helped resolve over 250 issues between the parties.

A two-year agreement extending to September 1, 1978 was reached after 12 days of marathon talks in the national office of the Service. Major provisions of the contract include a broad scope grievance procedure, arbitration of health and safety questions, consultation and negotiations during the contract term, and official time for union officers to administer the contract.

Pensacola Navy

The Navy operates an extensive Naval Air Rework Facility at Pensacola, Fla., for the repair, maintenance and development of its aircraft. Local 1960 of the AFGE represents some 2,800 of the 3,100 work force.

The local federal mediator helped the parties enter meaningful negotiations after an initial stalemate. Practically all issues were resolved but the talks again became deadlocked over the union's demand for a greatly expanded grievance procedure with binding arbitration. At this point the parties felt further negotiations were useless, deciding to submit the grievance system problem, plus several other lesser issues, to the Federal Service Impasses Panel.

However, with assistance from the national office, as well as higher echelons of the Navy and the AFGE, nego-



FMCS officials confer at Congressional hearing. James F. Scearce, national director at right, Ta Livingston, deputy national director at center, and Herbert Fishgold, general counsel.

tiations were reopened and full settlement reached on the remaining issues.

Rock Island Arsenal

The Machinists' union represents some 2,800 workers at the Army's Rock Island, (Ill.) Arsenal. The parties were able to resolve most issues but reached a stalemate on the issues of shift changes and union stewards assigned to the night shift. These issues they intended to take to the Federal Service Impasses Panel. Instead, a federal mediator entered the talks and both issues were resolved in a single joint session.

Long Beach Naval Shipyard

A series of seven joint meetings with a mediator, over a period of four months, helped bring agreement at the Long Beach Naval Shipyard in California with Local 174, International Federation of Professional and Technical Employees, representing 450 workers. The new three-year contract included some 50 changes n contract language.

Forest Service

A unit of the National Federation of Federal Employees in Montana, representing some 190 employees of the Forst Service of the Department of Agriculture, reached an impasse in negotiating a long-term contract and requested nediation assistance. The remaining issues involved the number of reopeners llowed under the 36-month contract and he length of time permitted for negotiations at each reopener. A compromise was reached with the mediator's assistance allowing a reopener each six months with a limit of nine hours of negotiations teach reopener.

Table 7
Cases by Federal agency

for fiscal year 1976

	No of	
Agency	No. of Cases	Percent of Total
Dept. of the Army	106	18
Dept. of the Air Force	71	12
Veterans Admin	65	11
Dept. of the Navy	63	11
Health, Education & Welfare	59	10
Dept. of Interior	39	7
General Services Admin	26	4
Dept. of Agriculture	26	4
U.S. National Guard	22	4
Dept. of Commerce	15	3
Dept. of Transportation	14	3 2 2 2
Small Business Admin	11	2
Dept. of Justice	11	2
Dept. of Defense	10	2
Housing & Urban	_	
Development	7	
Defense Supply Agency	7	
U.S. Treasury Dept	4	
U.S. Postal Service	4	
Environmental Protection		5
Agency	3	
U.S. Coast Guard	3	
Dept. of Labor	2	
National Aeronautics &		
Space Admin	2	4
Other	_22	4
Total	592	100

Table 8
Unions utilizing FMCS in state and local disputes in fiscal year 1976

Union	No. of Cases	Percen of Tota
NEA AFSCME Police IAFF IBT Op. Engrs. AFT SEIU IBEW Laborers ATU USA Combination IBFO ANA Bldg. Trades Council IAM PAT Tri Trades Council CWA Jt. Crafts Council Jnions with 1 case each	342 67 43 42 33 19 15 15 13 10 9 6 4 3 3 3 3 3 3 3 2 2 25	51 10 6 6 5 3 2 2 2 2 2 1 1
Total	665	100

Chapter V

Analysis of dispute mediation



Role of women in labor relations is growing. Here, an official of the American Nurses Association, Mary Munger, makes a point.

Mediators perform many varied activities during the course of a year, all of which are designed to achieve and maintain labor-management peace. The predominant activity of field mediators is dispute mediation. Of the 21,799 total cases closed in FY 76, 19,856 were dispute cases, an all time high. The transition quarter also saw a rise in total mediation activity over the same period a year earlier. In addition, the number of joint meeting cases closed in FY 76 surpassed the total in FY 75, following a three-year upward trend.

As an integral part of their work, mediators also are concerned with technical assistance cases and information and education cases. The total number of closed cases in both of these categories also increased in FY 76 and in the transition quarter over the same period a year earlier. Table 9 shows closed case totals in all three categories for the last 10 years.

For statistical purposes, and for an overall perspective of FMCS activity during the period covered by this report it is worth noting here that technical as

sistance cases increased by 16 percent in FY 76 to 1,083. The transition quarter showed a 3 percent rise above the same period a year earlier. Information and education cases increased by 27 percenduring the fiscal year to 860, and showed a 16 percent increase in the transition quarter. Separate chapters on Technical Assistance and Information and Education provide a more detailed analysis of these programs. This chapter deals print a showed a sistence of the second second

marily with dispute mediation activity.

Number of closed dispute, technical assistance and information and education cases participated in by FMCS mediators for fiscal years 1967 through 1976 and transition quarter (July 1, 1976 to September 30, 1976)

í	1967	1968	1969	1970	1971	1972	1973	1974	1975	19	976	July 1 to Sept. 30, 1975		sition arter
Type of case	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Total closed cases	Percent change from FY 75	Total closed cases	Total closed cases	Percent change from a year ago
Total	19,576	21,076	21,130	18,996	19,285	17,248	18,238	20,160	21,385	21,794	2.0	5,236	6,124	17.0
OISPUTE CASES	17,447	18,763	18,964	16,938	17,608	15,994	16,930	18,809	19,771	19,856	0.4	4,977	5,846	17.4
meeting* Nonjoint	7,193	7,485	8,028	7,509	7,991	7,215	7,238	8,479	8,795	8,985	2.1	2,285	2,507	9.7
meeting** .	10,254	11,278	10,936	9,429	9,617	8,779	9,692	10,330	10,976	10,871	- 1.0	2,692	2 226	22.0
ECHNICAL ASSISTANCE CASES†	1,175	_1,322	1,321	_1,218	851	523	515	642	935	1,083	15.8	158	3,336 	3.2
AND EDUCATION CASES††	954	991	845	840	826	731	793	709	679	860	26.7	101	115	13.9

^{*} Cases in which joint and separate mediation conferences were held.

^{*} Cases followed closely by mediators from assignment until final closing, requiring only informal mediation with no joint conferences.

[†] Cases comprise training, education, consultation and problem-solving activities performed by mediators for representatives of labor and management, other neutrals in dispute resolution, professional associations and academic institutions. FY 1967-1970 figures are for total assignments.

[†] Cases include activities such as informational addresses to public and professional groups and associations; interviews with newspapers, magazines, radio and television media; film showings, and appearances and participation in conventions, seminars and similar occasions.

Joint Meeting Cases by Industry

Table 10 shows the 10-year history of closed joint meeting cases by industry. Traditionally, the greatest number of cases occur in manufacturing, which has the greatest concentration of union organization. In FY 76, however, the number of closed joint meeting cases in manufacturing declined to a three-year low. This decline was more than compensated for by an increase in cases in the retail, wholesale and service indus-

tries and by a 100 percent increase in public sector cases.

Over the entire 10-year period, the total number of cases in the manufacturing industry has remained more or less constant, but as a percentage of total closed joint meeting cases it has declined from 69.6 percent in FY 67 to 53.1 percent in FY 76 and to 51.9 percent during the transition quarter.

In contrast, the number of cases in the retail, wholesale and service industries

more than doubled and as a percentag of total cases climbed from 15 percent to 25.6 percent in 10 years.

The greatest shift, however, occurred in public sector cases. None were recorded in FY 67. In FY 76, federal mediators closed 757 and the total accounter for almost 10 percent of the total join meeting caseload. Since public sector cases tend to require more time on the part of the mediator, this change is significant.

Table 10

Number of closed FMCS joint meeting dispute cases by sector and industry for fiscal years 1967 through 1976 and transition quarter

	1967	1968	1969	1970	1971	1972	1973	1974	1975	19	76	Transition Quarter
Contact and industry	Closed joint meeting cases	Percent change from FY 75	Closed joint meeting cases									
Sector and industry				7,509	7,991	7,215	7,238	8,479	8,795	8,985	2.2	2,507
Total	7,193 7,193	7,485 7,476	8,028 8,000	7,462	7,849	6,990	6,994	8,217	8,416	8,228	_ 2.2	2,344
PRIVATE SECTOR Manufacturing		5,157	5,578	5,119	5,217	4,730	4,631	5,161	5,060	4,775	- 5.6	1,303
Retail, wholesale, service industries		1,208	1,203	1,119	1,434	1,170	1,282	1,775	2,094	2,306	10.1	678
Public utilities, communications, transportation	494	522	552	592	634	521	520	689 530	638 557	642 443	0.6 20.5	176 165
Construction	515	514	579	554	495	498	519	530	337	7-10	20.0	
Mining, agriculture, finance	82	75	88	78	69	71	42	62	67	62	- 7.5	22 163
PUBLIC SECTOR*	_	9	28	47	142	225	244	262	379	757	99.7	

^{*} Includes all federal, state and local government cases.

lajor Issues

Table 11 lists the major issues in joint neeting cases in contract negotiations. The most important issue, of course, is and always has been wages. Fringe benets (pensions, insurance and welfare) and second. And until FY 73, vacations and holidays ranked third. Since then, owever, contract duration has been the fird most frequent issue. The change is of considered significant and probably

can be attributed to the period of controls that began in 1973, which caused many unions to abandon traditional multiyear contracts in favor of one-year agreements. Current union interest in more time off to create more jobs coupled with the end of controls and the return to favor of longer contracts suggests that in FY 77 vacations and holidays will probably return to being the third most important issue.

An overall analysis shows, that with the exception of contract duration, the most frequent issues are economic. This is not surprising. Not only are economic interests of paramount importance to union memberships, but many noneconomic issues, such as seniority, grievance procedures, union security, etc., once agreed upon, tend to remain fixed for long periods of time.

Table 11

Frequency of contract issues in closed FMCS joint meeting cases for fiscal years 1967 through 1976 and transition quarter

	1967	1968	1969	1970	1971	1972	1973	1974	1975	19	76	Transition Quarter
(ntract issues	Number of issues	Number of issues	Number of issues	Number of issues	Number of issues	Number of issues	Number of issues	Number of issues	Number of issues	Number of issues	Percent change from FY 75	Number of issues
Total	33,943	34,247	38,391	36,264	38,410	35,066	35,408	39,894	40,856	42,485	4.0	
ration of contract	4,320	4,320	4,841	4,613	4,858	4,621	4,781	5,448	5,422	5,572	2.8	1,799
rbitration	1,290 1,608 2,260	1,240 1,699 2,377	1,391 1,905 2,582	1,305 1,928 2,515	1,516 2,184 2,601	1,396 1,938 2,339	1,437 2,007 2,365	1,388 2,249 2,693	1,471 2,338 2,705	1,627 2,370	10.6	447 651
classification	1,929 1,228 4,692	1,978 1,209 4,900	2,369 1,401 5,594	2,144 1,395 5,291	2,191 1,429 5,620	1,995 1,446 5,046	2,032 1,594 4,922	2,257 1,582 5,833	2,703 2,387 1,719 5,839	2,794 2,463 1,990 5,947	3.3 3.2 15.8 1.8	808 652 497 1,712
Flority	1,651	1,624	1,735	1,600	1,717	1,748	1,694	1,650	1,683	1,889	12.2	539
Value of the security of the s	1,502 4,677 6,655 1,552	1,218 4,858 6,803 1,543	1,315 5,468 7,500 1,718	1,329 5,039 6,975 1,544	1,275 5,444 7,481 1,601	1,183 4,663 6,602 1,634	1,321 4,445 6,547 1,738	1,204 5,318 7,882 1,818	1,325 5,315 8,155 1,924	1,560 5,272 8,249 2,068	17.7 8 1.2 7.5	401 1,497 2,323
er contract issues	579	478	572	586	493	455	525	572	573	684	19.4	595 169

Types of Negotiations

Most dispute cases involve contract renewals, as shown by Table 12. Although slight changes occur from year to year, the percentage by type of negotiation has remained roughly the same in recent years.

In FY 76, the total number of initial contract negotiations increased by 25 percent, but because the majority of cases are contract renewals, the percentage increase in initial contracts in terms of overall activity was a modest rise from 9.1 percent in FY 75 to 11.3 percent in FY 76. Contract reopenings fell from 7.2 percent to 6.4 percent, and contract renewals declined from 82.5 percent to 81.0 percent. As in the past, exceptional grievance disputes, those in which the FMCS agrees to become involved, remained a very small proportion of the total dispute workload. In FY 76, grievance mediation amounted to 1.3 percent.

While these changes are small, they reflect changes taking place in collective bargaining. The rise in initial contract negotiations can be traced to increased organizing activity in the health care field and in the public sector. The decline in contract reopenings can be linked to the increased popularity of cost-of-living clauses that make contract reopenings unnecessary. Another factor has been a reduction in the high rate of inflation in past recent years that spurred many unions in industries without costof-living guarantees to demand wage reopeners to protect their members against the loss of real purchasing power during the term of a multiyear agreement.

Table 12

Number and percent of closed joint and nonjoint meeting dispute case participated in by FMCS mediators by type of negotiation in FY 76

			Joi meeting		Non meeting	joint g cases
Type of negotiation	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percen of total
Total	19,856	100.0	8,985	45.2	10,871	54.8
Initial contracts	2,238	11.3	1,228	6.2	1,010	5.1
Contract renewals	16,095	81.0	6,979	35.1	9,116	45.9
Contract reopenings	1,272	6.4	538	2.7	734	3.7
Exceptional grievances	251	1.3	240	1.2	11	0.1

Table 13

Length of initial contracts in FMCS joint meeting cases for fiscal years 1970 through 1976

Length of contract**	Percentage of total joint meeting cases in which initial contracts were involved*									
	1970	1971	1972	1973	1974	1975	19			
1 year	27.4	27.8	29.6	32.0	26.2	28.8	40			
2 years	28.4	29.3	29.0	30.2	28.5	31.0	30			
3 years	43.5	42.3	40.7	37.2	45.1	39.7	28			
Over 3 years	0.7	0.6	0.7	0.6	0.2	0.5	(
Total	100.0	100.0	100.0	100.0	100.0	100.0	100			

^{*} These calculations are based on the number of initial contract joint meeting cases in which contract data were available, i.e., 863 of the 1,228 initial contract cases.

^{**} For purposes of convention, 1 year contract length includes all contracts from 1 month to 18 month 2 years include all contracts from 19 to 30 months and 3 years include all contracts from 31 to months.

Length of Contracts

The length of initial contracts in FMCS oint meetings cases showed an overall iverage decline in FY 76, as Table 13 hows. However, this is one case in vhich statistics are misleading. FY 76 aw the impact of state bargaining laws n Iowa and Florida that resulted in undreds of initial one-year public secor agreements that involved FMCS meliators. As a result, the table shows the ercentage of one-year contracts jumpng sharply from 28.8 percent in FY 75 o 40.7 percent in FY 76. At the same ime, FY 76 experienced a high level of rganizing activity in the health care idustry as a result of the 1974 amendients to the National Labor Relations act that placed private nonprofit health are institutions under the act. The trend 1 this area was toward two-year agreeients. No such bulge occurred in the elds of construction and manufacturing, here three-year contracts are most opular. Discounting the one-time imact of the Iowa and Florida laws, and ssuming a leveling off in the future in ealth care organizing, and it is reasonple to assume that the pattern until FY 3 will show up again in the future and nere is no underlying force for shorter ontracts at work.

Statistics on contract renewals bear is out. Table 14 shows the percentage three-year contract renewals increased om 53.3 percent in FY 75 to 54.8 perent in FY 76. One year renewals showed slight increase, while two-year conacts posted a slight decline.

Table 14

Length of renewed contracts in FMCS joint meeting cases for fiscal years 1970 through 1976

	Percentage of total joint meeting cases in which renewed contracts were involved*									
Length of contract**	1970	1971	1972	1973	1974	1975	1976			
1 year	10.1	10.4	17.8	18.3	13.9	15.0	15.8			
2 years	32.3	30.3	27.9	32.0	27.4	31.3	28.9			
3 years	56.5	58.3	53.8	49.1	58.1	53.3	54.8			
Over 3 years	1.1	1.0	0.5	0.6	0.6	0.4	0.5			
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0			

^{*} These calculations are based on the number of renewed contract joint meeting cases in which contract data were available, i.e., 6,594 of the 6,979 renewed contract cases.

^{**} For purposes of convention, 1 year contract length includes all contracts from 1 month to 18 months, 2 years include all contracts from 19 to 30 months and 3 years include all contracts from 31 to 42 months.

Work Stoppages

The fiscal year showed a drop in both the number and percentage of work stoppages in dispute cases. In FY 75, there were 3,005 work stoppages out of 19,771 cases; in FY 76, only 2,609 out of an overall larger caseload of 19,856. The percentage of cases involving strikes was the lowest in FY 76 since 1968, except during FY 73 when controls were in effect. See Table 15.

During the transition quarter, the percentage increased to the FY 75 level. However, since the heaviest bargaining occurs in the late spring and early summer months, the cases that do involve work stoppages frequently carry over into the July through September quarter, and the percentage of closed cases involving strikes or lockouts is generally greater during this time than any other.

Another encouraging trend in FY 76 was the decline in the percentage of rejection of tentative agreements by union members. The 9.8 rejection rate was the lowest in 10 years, again with the exception of FY 73 when controls had an impact. See Table 16.

Once again, the transition quarter statistics show a return during July through September to the FY 75 level. The fact that more strike cases occur during this quarter is a factor, since workers on strike are more likely to reject an agreement than are workers who are not on strike, and during a strike, several agreements may be rejected before one is accepted.

Cases by Region and State

Table 17 showing a caseload break-down by region and state is self explanatory, except that for comparison purposes, FY 76 totals for Regions 7 and 8 must be combined in order to make comparisons with previous data for Region 7. (Region 7 was divided into two parts

with a separate regional office in Seattle established in FY 76 to become what is now Region 8).

Region 1 showed the greatest total and percentage increase in cases. Much of this increase resulted from the high leve of health care bargaining during FY 76 in the northeast area of the United States

Table 15

Number and percent of closed FMCS dispute mediation cases involving strikes for fiscal years 1967 through 1976 and transition quarter

Total number of closed dispute cases	Total number involving strikes	Percent of total involving strikes
17,447	2,146	12.3
18,763	2,351	12.5
18,964	2,849	15.0
16,938	2,632	15.5
17,608	2,616	14.9
15,994	2,250	14.1
16,930	1,937	11.4
18,809	2,801	14.9
19,771	3,005	15.2
19,856	2,609	13.2
5,843	889	15.2
	number of closed dispute cases 17,447 18,763 18,964 16,938 17,608 15,994 16,930 18,809 19,771 19,856	number of closed dispute cases strikes 17,447

Table 16

Number and percent of closed FMCS joint meeting cases involving rejection of tentative settlement for fiscal years 1967 thru 1976 and transition quarter

Fiscal year	Total number of closed joint meeting cases	Total number of rejections in closed joint meeting cases	Percent of rejection to total of closed joint meeting cases
1967 1968 1969 1970 1971 1972 1973 1974 1975 1976 Transition	7,193 7,485 8,028 7,509 7,991 7,215 7,238 8,479 8,795 8,985 2,507	1,019 893 991 843 795 732 697 1,050 976 876	14.2 11.9 12.3 11.2 9.9 10.1 9.6 12.4 11.1 9.8

Table 17

Number and percent of closed FMCS dispute mediation cases (joint meeting) by region and state for fiscal years 1974 through 1976

	19	974	19	75	19	76	Transitio	n quarter
State by FMCS region	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	8,479	100.0	8,795	100.0	8,985	100.0	2,507	100.0
REGION 1 Connecticut Maine Massachusetts New Hampshire New Jersey* New York Puerto Rico Rhode Island Vermont Virgin Islands	1,209 88 43 236 38 239 520 33 12	14.3 1.0 0.5 2.8 0.4 2.8 6.1 — 0.4 0.1	1,199 114 33 291 33 207 472 — 31 18	13.6 1.3 0.4 3.3 0.4 2.3 5.4 0.3 0.2	1,281 126 26 278 26 231 531 — 28 26	14.3 1.4 0.3 3.1 0.3 2.6 5.9 0.3 0.3	358 34 15 78 7 71 137 1 7	14.3 1.4 0.6 3.1 0.3 2.8 5.5 † 0.3 0.3
EGION 2 Delaware District of Columbia Maryland New Jersey* Ohio* Pennsylvania Virginia* West Virginia	1,077 27 52 106 130 9 627 75	12.7 0.3 0.6 1.2 1.5 0.1 7.4 0.9 0.6	1,090 27 80 101 143 10 606 75 48	12.4 0.3 0.9 1.1 1.6 0.1 6.9 0.8 0.5	1,158 27 94 97 126 8 680 68 58	† 12.9 0.3 1.0 1.1 1.4 0.1 7.6 0.8 0.6	265 3 14 29 25 4 160 20	10.6 0.1 0.6 1.2 1.0 0.2 6.4 0.8 0.4
EGION 3 Alabama Arkansas* Florida Georgia Kentucky* Louisiana Mississippi North Carolina South Carolina Tennessee Virginia*	784 134 1 132 94 17 72 49 64 21 188 11	9.2 1.6 † 1.6 1.1 0.2 0.8 0.6 0.7 0.2 2.2 0.1	707 134 2 99 85 15 74 33 70 14 172	8.0 1.5 † 1.1 1.0 0.2 0.8 0.4 0.8 0.2 2.0 0.1		8.8 1.4 † 1.5 1.1 0.1 0.9 0.5 0.5 0.3 2.2 0.1	225 32 47 33 5 19 10 15 9 54	9.0 1.3 — 1.9 1.3 0.2 0.8 0.4 0.6 0.4 2.2

Geographical area of state divided between two FMCS regions. Less than one-tenth of one percent and therefore not recorded.

Table 17

Number and percent of closed FMCS dispute mediation cases (joint meeting) by region and state for fiscal years 1974 through 1976...continued

	19		19	75	19	76	Transitio	n quarter
State by FMCS region .	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	of	of	of	of	of	of	of	of
	cases	total	cases	total	cases	total	cases	total
Total	8,479	100.0	8,795	100.0	8,985	100.0	2,507	100.0
REGION 4	1,147	13.5	1,189	13.5	1,081	12.0	338	13.5
	10	0.1	9	0.1	7	0.1	1	†
	140	1.6	155	1.8	122	1.4	33	1.3
	362	4.3	409	4.6	398	4.4	141	5.6
	685	7.5	616	7.0	554	6.2	163	6.5
REGION 5 Illinois* Indiana* Michigan* Minnesota North Dakota South Dakota Wisconsin	1,613	19.0	1,540	-17.5	1,639	18.2	520	20.6
	618	7.3	585	-6.6	617	6.9	192	7.7
	274	3.2	256	2.9	271	3.0	68	2.7
	17	0.2	20	0.2	21	0.2	7	0.3
	398	4.7	362	4.1	395	4.4	149	5.9
	31	0.4	31	0.3	29	0.3	1	†
	12	0.1	18	0.2	17	0.2	3	0.1
	263	3.1	268	3.0	289	3.2	100	4.0
REGION 6 Arkansas* Illinois* Iowa Kansas Missouri Nebraska Oklahoma Texas*	1,359 79 72 238 119 454 67 64 266	16.0 0.9 0.8 2.8 1.4 5.3 0.8 0.7 3.1	1,438 75 87 238 126 428 61 76 347	16.4 0.8 1.0 2.7 1.4 4.9 0.7 0.9 3.9	1,503 88 76 367 123 419 55 57	16.7 1.0 0.8 4.1 1.4 4.7 0.6 0.6 3.5	345 21 22 52 29 99 17 21 84	13.8 0.8 0.9 2.1 1.2 3.9 0.7 0.8 3.4

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.

Number and percent of closed FMCS dispute mediation cases (joint meeting) by region and state for fiscal years 1974 through 1976 . . . continued

	19	174	19	75	19	76	Transitio	n quarter
state by FMCS region	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	8,479	100.0	8,795	100.0	8,985	100.0	2,507	100.0
EGION 7	1,290	15.2	1,632	18.6	896	10.0	269	10.7
Alaska‡	13	0.1	28	0.3				10.7
Arizona	58	0.7	40	0.4	45	0.5	— 19	_
California	639	7.5	782	8.9	731	8.1		0.8
Colorado‡	87	1.0	93	1.1	701	0.1	225	9.0
Hawaii	36	0.4	31	0.3	41	0.5	_	
Idaho‡	39	0.5	46	0.5	-	0.5	9	0.4
Montana‡	51	0.6	66	0.7		_	_	_
Nevada*‡	22	0.3	51	0.6	28	0.3	_	_
New Mexico	27	0.3	33	0.4	41	0.5	4	0.2
Oregon‡	93	1.1	142	1.6		0.5 —	8	0.3
Texas*	7	0.1	19	0.2	9	0.1		_
Utah‡	12	0.1	17	0.2	9	0.1	4	0.2
Washington‡	203	2.4	272	3.1			_	_
Wyoming:	3	†	12	0.1		_	_	
Guam	_	_	_	_	1	_	_	_
EGION 8	_	_	_	_	640	7.1	187	7.5
Alaska					59	0.7	10	
Colorado	_	_	_	_	92	1.0	27	0.4
Idaho	_	_	_	_	40	0.4	5	1.1 0.2
Montana	_	_	_	_	51	0.6	22	0.2
Nevada*	_	_	_		_	0.0		
Oregon	_	_	_		116	1.3	45	1.0
Utah	_		_	_	18	0.2		1.8
Washington	_	_	_		256	2.8	6 71	0.2
Wyoming	_	_	_		8	0.1	/ I 1	2.8

Less than one-tenth of one percent and therefore not recorded. New Region 8.

Table 18

Number and percent of closed FMCS dispute mediation cases (nonjoint meeting) by region and state for fiscal years 1974 through 1976

	19)74	19	175	19	76	Transitio	Transition quarter		
State by FMCS region	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percen of total		
Total	10,330	100.0	10,976	100.0	10,871	100.0	3,336	100.0		
REGION 1 Connecticut Maine Massachusetts New Hampshire New Jersey* New York Puerto Rico Rhode Island Vermont Virgin Islands	1,576 132 45 306 37 307 675 — 60 14	15.3 1.3 0.4 3.0 0.4 3.0 6.5 — 0.6 0.1	1,508 123 56 289 32 288 646 — 57 15	13.7 1.1 0.5 2.6 0.3 2.6 5.9 0.5 0.1	1,821 141 41 334 50 348 808 — 85 14	16.8 1.3 0.4 3.1 0.5 3.2 7.4 — 0.8 0.1	552 51 25 119 12 100 215 1 19	16.6 1.5 0.8 3.6 0.4 3.0 6.4 0.6 0.3		
REGION 2 Delaware District of Columbia Maryland New Jersey* Ohio* Pennsylvania Virginia* West Virginia	1,258 31 57 164 128 6 672 147 53	12.2 0.3 0.5 1.6 1.2 0.1 6.5 1.4 0.5	1,324 25 85 172 129 3 735 135 40	12.1 0.2 0.8 1.6 1.2 † 6.7 1.2 0.4	1,153 29 71 190 122 12 896 153 80	14.3 0.3 0.7 1.7 1.1 0.1 8.3 1.4 0.7	427 8 21 45 30 — 251 56 16	12.8 0.2 0.6 1.4 0.9 7.5 1.7		
REGION 3 Alabama Arkansas* Florida Georgia Kentucky* Louisiana Mississippi North Carolina South Carolina Tennessee Virginia*	1,209 132 1 220 257 20 131 51 109 43 243	11.7 1.3 † 2.1 2.5 0.2 1.3 0.5 1.1 0.4 2.3	1,038 117 — 187 158 15 167 46 95 44 203 6	9.5 1.1 1.7 1.4 0.1 1.5 0.4 0.9 0.4 1.8	1,100 124 1 264 196 22 115 48 73 33 212	10.1 1.1 2.4 1.8 0.2 1.1 0.4 0.7 0.3 2.0 0.1	315 29 85 60 6 31 17 22 12 50 3	9.4 0.9 2.5 1.8 0.2 0.9 0.5 0.5 0.7		

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.

Number and percent of closed FMCS dispute mediation cases (nonjoint meeting) by region and state for fiscal years 1974 through 1976 . . . continued

	19	974	19	975	19	976	Transitio	n quarter
tate by FMCS region	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total
Total	10,330	100.0	10,976	100.0	10,871	100.0	3,336	100.0
EGION 4 Indiana* Kentucky* Michigan* Ohio* EGION 5 Illinois* Indiana* Michigan* Michigan* Minnesota North Dakota South Dakota Wisconsin	1,648 10 150 569 919 1,748 772 326 12 165 23 10 440	15.9 0.1 1.4 5.5 8.9 16.9 7.5 3.2 0.1 1.6 0.2 0.1 4.3	1,511 10 148 519 834 1,778 828 337 18 140 10 29 416	13.8 0.1 1.3 4.7 7.6 16.2 7.5 3.1 0.2 1.3 0.1 0.3 3.8	1,302 5 122 480 695 1,794 793 347 27 173 17 20 417	12.0 	395 6 47 131 211 612 274 100 11 51 3	11.8 0.2 1.4 3.9 6.3 18.3 8.2 3.0 0.3 1.5 0.1
IGION 6 Arkansas* Illinois* lowa Kansas Missouri Vebraska Oklahoma Fexas*	1,337 65 92 183 138 369 78 108 304	12.9 0.6 0.9 1.8 1.3 3.6 0.8 1.0 2.9	1,443 91 85 210 139 395 87 111 325	13.1 0.8 0.8 1.9 1.3 3.6 0.8 1.0 3.0	1,175 82 91 166 84 346 55 76 275	3.8 10.8 0.8 1.5 0.8 3.2 0.5 0.7 2.5	334 23 27 31 30 97 13 31 82	5.2 10.0 0.7 0.8 0.9 0.9 2.9 0.4 0.9 2.5

eographical area of state divided between two FMCS regions.

tess than one-tenth of one percent and therefore not recorded.

Table 18

Number and percent of closed FMCS dispute mediation cases (nonjoint meeting) by region and state for fiscal years 1974 through 1976 . . . continued

	19	974	19	975	19	976	Transitio	n quarter
State by FMCS region	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percent of total	Number of cases	Percen of total
Total	10,330	100.0	10,976	100.0	10,871	100.0	3,336	100.0
Total				21.6	1,298	11.9	424	12.7
REGION 7	_1,554	_15.0	2,374		1,230			
Alaska‡	15	0.1	28	0.3	53	0.5	19	0.6
Arizona	71	0.7	56	0.5	1,100	10.1	363	10.9
California	831	8.0	1,235	11.2 1.7	1,100		-	
Colorado‡	120	1.2	189	0.3	38	0.3	8	0.2
Hawaii	33	0.3	3 5 45	0.3		-		
Idaho‡	25	0.2	72	0.7				
Montana‡	19	0.2	57	0.5	49	0.5	17	0.5
Nevada*‡	50	0.5 0.3	37	0.3	37	0.3	15	0.4
New Mexico	27	1.3	211	1.9	-	_		
Oregon‡	135	1,3 †	10	0.1	19	0.2	2	0.1
Texas*	5 50	0.5	91	0.8	_		_	
Utah‡	158	1.5	284	2.6				_
Washington‡	156	0.1	24	0.2				
Wyoming‡	13	0.1	2	†	_	_		
Guam	_		_	'	0.00	7.6	277	8.3
REGION 8	-				828	7.6		0.3
Alaska					21	0.2	9	1.0
Colorado					141	1.3	33	0.2
Idaho					52	0.5	8	0.5
Montana		_		_	81	0.7	17	0.0
Nevada*				_		1.6	82	2.5
Oregon					171	1.6	32	1.0
Utah			_	_	70	0.6	91	2.7
Washington					266	2.4 0.2	4	0.1
Wyoming				_	26	0.2	7	0.

^{*} Geographical area of state divided between two FMCS regions.

[†] Less than one-tenth of one percent and therefore not recorded.

[‡] New Region 8.

Case Involvement

The Service becomes aware of an appreaching contract expiration or initial ontract negotiations in many ways, but by far the most common is the 30-day 30-day for health care institutions and nions) notice required under the National Labor Relations Act. Other sources

include requests by the parties for help, certifications of newly recognized unions by the National Labor Relations Board and the Labor Management Services Administration of the Department of Labor where federal sector cases are concerned and occasionally through the initiative of the Service to intervene.

Table 19 shows a breakdown of notifications and dispositions. It should be noted that multiple notifications frequently are received, especially in instances where many locals are involved in a single set of negotiations, thus the high number of LMRA notifications in comparison to total FMCS cases.

Table 19

Notifications processed by the Service (disputes, technical assistance, and public relations) for fiscal year
1976 and transition quarter

RECEIPT OF NOTIFICATIONS Fisca	al 1976	Transition	quarter 1976
IOTIFICATIONS RECEIVED DURING THE YEAR	121,973		19,833
30-day notices required by LMRA 114,747		18,150	,
Requests from union and/or company (Disputes, TA, PR)		713	
NLRB and LMSA Certifications		968	
Intercessions by FMCS 9		2	
ASES PENDING AT CLOSE OF PREVIOUS YEAR	6,547		7,705
TOTAL NOTIFICATIONS PROCESSED	128,520		27,538
DISPOSITION OF NOTIFICATIONS			
OTIFICATIONS NOT ASSIGNED	94,375		12,838
Screened for lack of jurisdiction	34,573	3,569	12,030
Consolidated with other notifications into assignments corresponding to actual group negotiations		9,269	
ASES CLOSED ADMINISTRATIVELY AFTER INQUIRY BY MEDIATORS	4,642	5,205	1 007
Screened for lack of jurisdiction	4,042	140	1,287
Settled prior to inquiry, erroneous notice, etc		140	
Consolidated with other cases		857	
ASES CLOSED BY MEDIATORS	04 700	290	
Casas with joint and congrete modistics and account	21,798		6,121
Cases followed closely by mediators from assignment until final closing, but		2,507	
requiring only informal mediation with no joint conferences		2.220	
Cases with technical assistance and/or public relations activity		3,336	
ISPUTE CASES PENDING AT END OF YEAR		278	
	7,532		6,954
ECHNICAL ASSISTANCE AND PUBLIC RELATIONS ASSIGNMENTS			
PENDING AT END OF YEAR	173		338
TOTAL NOTIFICATIONS PROCESSED	128,520		27,538



Chapter V

Technical Services

Promoting the development of sound and stable labor-management relationships is an essential and important part in the mission of the Federal Mediation and Conciliation Service.

Consistent with this philosophy, the Office of Technical Services and the mediator staff across the nation increased technical assistance activities by almost 100 percent over the last three fiscal years. In FY 76, 1,082 technical assistance cases were closed, an increase of 16 percent over FY 75. The transition quarter saw 163 cases, an increase over the same period a year earlier. (Technical assistance activities tend to be light during this quarter because of the heavy contract dispute caseload that demands priority attention from mediators.)

In the past, the majority of technical assistance cases developed as a result of a mediator's involvement with the parties during a contract dispute. During negotiations, the mediator might become aware of problems in the day-to-day relationship between the parties. After a settlement is reached, the mediator might

then follow up the dispute case activity with an offer to help with a technica assistance program.

Today, however, 70 percent of all tech nical assistance activities result from direct requests of the parties-labo and management—at the regional level Another 10 percent originate from re quests directed to and handled through the national office. Typically, these re quests relate to programs desired by or ganizations on a national or industry wide scale. Such activities during FY 7 included, among others, the Service' Coal Training Program, a wide range of union-management conferences and major labor relations program estab lished for the Stauffer Chemical Com pany and its affiliated unions. Thus to day, only about one in five programs ar initiated directly by the mediator.

This change has occurred as a result of increased awareness within the labor management community of FMCS technical service programs, their reputation for effectiveness and the continued effort of the agency to expand and intensifits commitment to the technical assistance concept.

In keeping up with the growing demands for technical assistance programs, the Service did away with the old position of regional coordinator and created a new position of assistant regional director oversee technical assistance activities at the regional level and in several large field offices. This increased management attention to technical assistance programs has not only strengthened the programs themselves, but in addition has improved the Service's ability to coordinate interregional activities.

The Office of Technical Services works closely with employers and labor organizations to develop model program formats that are carried out in the regions by professional staff mediators. Such programs include the recently developed RBO (Relationships By Objectives) program, labor-management committees, and wide variety of training programs paterned for specific industries such as realth care and coal.

Technical assistance activity also increased as the result of the 1974 amendment to the Labor-Management Relations act which placed the private, nonprofit lealth care industry under LMRA's juisdiction. In addition, increased organizing and bargaining in the federal and ublic sectors has increased technical ssistance programs in these areas.

Recent economic trends have focused n the impact of productivity on collecve bargaining. In response, the Service as worked closely with the National ommission on Productivity and Work luality by tailoring technical assistance rograms to meet this challenge. The ervice also expanded its interest in nion-management committees. Finally, we Service has broken through the restance of the coal industry to governent involvement by being called in by e industry to launch an important techcal assistance endeavor there.

Dal Industry

Although both coal miners and operates have been traditionally hostile to overnment outsiders," the Federal ediation and Conciliation Service and mediators are accepted, respected and playing a critical role in providing

labor relations training to both labor and management in this vital industry.

Following conclusion of the 1974 negotiations in the coal industry, FMCS was asked by the United Mine Workers and the Bituminous Coal Operators' Association to set up a new district arbitration panel and help institute a labor relations training program.

This led to seven programs in which 150 key union district representatives were trained by federal mediators in the fall of 1975. The success of these programs prompted nine operators to ask for labor relations training for their management staff. By the end of FY 76, 850 mine managers had participated in 35 training programs. Presently, training programs are scheduled throughout the coal fields into the summer of 1977.

Probably the most unique part of the FMCS involvement in this program has been the Bootstraps program for the United Mine Workers Union. A team of mediators provide an intensive two-week training course designed to prepare mine committeemen to be trainers of other union committeemen. In UMW District 17, Charleston, W.Va., the UMW trainers concluded the training of 1,300 other mine committeemen. Districts 6 in Ohio and 2 in Pennsylvania have completed the first phase of the Bootstraps program and other key union districts have requested similar programs. When these programs are completed in 1977, the result will be 7,000 mine committeemen trained by fellow miners in contract interpretation and the use of its grievance and arbitration procedures.

The program's main goal is to substitute the use of grievance procedures and



arbitration in place of the traditional wildcat strikes. There is good reason for this focus: Over 1,000 wildcat strikes (i.e., unauthorized work stoppages during the life of a contract) occur every year in the coal industry. Whether attributable to tradition, lack of skills in handling grievances, or internal union problems, the losses to the nation's energy supply, to the mine owners, and to the coal miners' incomes have been substantial. It has been calculated that, between 1970 and mid-1975 alone, production of coal valued at almost one billion dollars was lost as a result of wildcat strikes, causing the miners to lose \$220 million in wages and \$50 million in pension funds.

Productivity and Industrial Retention

Foreign competition and rising costs have forced management to place a premium on changing work practices to achieve better cost control and economy. Often, management proposals for sweeping changes occur at the bargaining table and are met with predictable resistance. And all too often lengthy strikes occur in which neither party comes out a winner.

In some instances, however, labor and management are taking a hard look at their own longterm mutual interests and are attempting to work together during the term of contract rather than waiting for a confrontation at the expiration of their labor agreement. The Service's technical assistance programs often are the first phase in facilitating future steps for cooperative action. Time and again, the Service has played a crucial role in getting labor and management to set aside past differences and concentrate on mutual progress. In this connection, the

Service has worked closely with the National Center for Productivity and Quality of Working Life in conferences throughout the nation as well as exchanging information on trouble spots requiring third party assistance.

Perhaps the most significant accomplishment in this critical area involved Piper Aircraft and the International Association of Machinists Local 734 in Lock Haven, Penna. George Kuper, Executive Director of the National Center for Productivity and Quality of Working Life, wrote the following:

Piper Aircraft and IAM Local 734 . . . was essential to keeping that plant in Pennsylvania with its 1000-1700 jobs and \$22 million payroll. . . The work of your mediator in those negotiations was absolutely strategic to their successful conclusion. The mediator's optimism of saving the plant for Lock Haven and Pennsylvania, when just about everyone else was pessimistic, was an important factor.

A training program for Freightliner Corporation and Teamsters Local 716 was the vehicle for improvement following an 80-day strike at that facility in Indianapolis. A bitterly divisive relationship produced 1,300 grievances and 50 arbitrations in the three-year period and falling productivity put the future of the plant in jeopardy.

Following the training program, the plant manager wrote:

Grievances are averaging one a week now compared to eight per

week prior to the strike . . . absenteeism has been reduced to three percent . . . we have increased our production rate from six per day to eight per day . . . all employees that were on layoff prior to our strike have been recalled and we are now hiring new help.

Another case occurred in a 500-man plant in a southern state where management, having experienced two back-toback strikes, indicated the possibility of plant closure if the plant were struck a third time. An RBO program several months prior to contract expiration was credited with exposing numerous critical problems in time to deal with them before they became win-lose confrontations in contract negotiations. The contract was settled without a strike and in the words of one company official, "i was your RBO program and the dedicated work of your mediators that made it possible."

There are many other similar stories where the mediators' persistence and dedication in contract disputes and technical assistance programs have played ar important part in improving labor-man agement relations with a positive impacon industry and job retention.

Relationships by Objectives (RBO)

The Relationships by Objectives (RBO program, introduced during FY 75, ha generated considerable interest and at tention in the labor-management community. It has been widely publicized in both union and industry trade papers the wire services, numerous national publications, including Business Week and the New York Times, where disting



Deputy FMCS national director Tally Livingston introduces W. V. Barney Morel, District Director, United Steelworkers of America, at FMCS national seminar at New Orleans.

guished labor editor, Abe Raskin, wrote:

James F. Scearce, whose post as Director of the Federal Mediation and Conciliation Service carries a builtin obligation to be optimistic about the future of labor-management relations, does have one useful new peace tool to boast about. It is called Relationships by Objectives (RBO) and it is a highly structured program aimed at persuading the key people on both sides in companies with constant friction to analyze what they are doing wrong and then set specific goals and a timetable for eradicating the trouble spots through joint communication and cooperation and cooperation on a sustained basis. The plan is already being used in nearly 20 companies and in Mr. Scearce's estimation, is proving a 'great success'.

RBO is an intensive program designed for and utilized in extreme cases of poor labor relationships. To date, 21 RBO programs have been carried out that have involved over 40 mediators. Most RBO programs have been adopted after a protracted strike. Since its introduction in FY 75, RBO's have been used as follow-ups to labor-management situations that previously accounted for 2.5 million work days of idleness due to strikes.

Here is an example of an RBO activity. In the course of active involvement in a 1974 labor dispute, marked by a 13-week strike, the mediators encountered considerable hostility between the parties, the United Parcel Service and the Teamsters union in the New York City area.

In addition, a review of the past history of relations between the parties indicated a series of other work stoppages including wildcat strikes.

It was suggested during the strike negotiations that, upon a settlement, the parties consider an RBO program since it had become abundantly clear to both sides that they had to find a better way to conduct their labor relations, not only at contract time, but on a day-to-day basis.

The RBO program, conducted in mid-September 1975, started with leaders of both sides exchanging sharp criticisms, but gradually they got down to the business of facing up to their problems and mapping corrective action steps. This program was followed by two others involving union and management personnel from other facilities.

As the meetings progressed, with both sides concentrating on their objective of improved relationships, there was concrete evidence of progress; productivity increased; there were no threats of wild-cat strikes; a joint alcoholic treatment program was established; and the numbers of grievances and arbitration cases declined.

After a year, there were still no wild-cat work stoppages and the relationship continued to move in a positive direction. The president of local Teamsters union 804 wrote, "Your program and personnel have helped to remove difficult built-in labor relations obstacles. . . I congratulate you and the entire staff for pointing out there must be a better way."

Public Sector

Increasing FMCS participation in dispute resolution in the public sector has

been accompanied by an increase in technical assistance programs in that rapidly growing area. Public officials with little knowledge of collective bargaining have turned to FMCS mediators for workshops on collective bargaining.

Perhaps the most significant activity performed in this area involved a cooperative program between the state of Iowa and mediators from Region 6. Following passage of their new Public Employee Relations Act, there was an immediate need for the training of 40 "ad hoc" mediators from the state of Iowa. FMCS mediators designed the program and conferences were held in Iowa City and Des Moines. Seminar instruction and simulated negotiation sessions were combined with actual followup observations of mediation sessions.

Bargaining in public education has resulted in numerous training programs for school boards and organizations representing school employees. Training programs in Colorado prompted followup requests among affiliates of the Colorado Education Association. Technical assistance in the public sector now accounts for 25 percent of the Service's activity in this area, most of it concentrated in training. Federal sector training accounted for 140 activities. Separate programs with government unions such as AFGE and NFFE continue to be in demand. Joint programs, such as one at Vandenberg Air Force Base for supervisors as well as union stewards, are also on the increase. The continuing growth of union activity in the public sector means a growing FMCS responsibility to help both sides exercise their new obligations effectively and responsibly.

Training

Mediators have a unique position in the labor-management community. Because they are the same people who work with labor and management in contract disputes, they enjoy a trust, confidence and respect from both sides of the bargaining table. As such, their acceptability as professional neutrals places them in a position to handle specialized training programs to improve labor relations.

Mediators participated in 616 training programs consisting of 3,600 sessions in FY 76. Approximately two-thirds of these programs were joint training sessions in which union and management representatives were trained together.

The role of the Service in initiating joint training programs is particularly significant in that the shared learning experience introduces a new perspective in their capability and attitude toward handling day-to-day problems when they return to the shop floor.

Many such programs are a direct followup from contract negotiations where it had become apparent that many problems were due to basic misunderstanding between foremen and union stewards on the shop floor. In a number of situations, such as Marion Power Shovel and Steelworkers Union in Marion, Ohio, training programs were the outgrowth of RBO programs.

Collective bargaining in the health care industry has also produced a demand for training programs in contract negotiations and grievance administration. Programs with the state affiliates of the American Nurses Association are on the increase as are those with state hos-



Officials of the United Association of Plumbers and Pipefitters announce area-wide project agreement in central Washington state to end a six-month trike. Area includes important atomic project. FMCS construction coordinator at front left.

oital associations. One of the most significant took place in Texas where training programs were conducted in seven different locations for the Texas Hospital Association.

Labor-Management Committees

One of the most effective means of mproving labor-management communication is through the formation and operation of joint labor-management committees. These committees enable labor and management to discuss any number of subjects free from the pressure of the pargaining table. These committees can ake on various forms: inplant committees, industry committees, or areawide ommittees made up of representatives

from a number of companies, unions and civic leaders.

During the past fiscal year, mediators participated in 260 joint labor-management committees involving 927 meetings with the parties. Significantly, one of the increasing attractions of area labor-management committees is their use as a means of reversing high unemployment caused by plant closings and their role in erasing a bad labor image in some communities in order to keep old and attract new industry.

In May of 1976, FMCS sponsored the first national conference of labor-management committees. The conference was held in Washington, D.C., and attended by representatives of 18 area labor-man-

agement committees in existence at the time of the conference. Federal mediators initiated 12 of the 24 known area labor-management committees. This conference featured presentations by committees from Jamestown, N.Y.; South Bend, Ind.; Western Kentucky; Toledo, Ohio; Evansville, Ind.; Muskegon, Mich.; and Lock Haven, Penna. Generally, such committees do not get involved in labor disputes or strikes, but concentrate efforts on keeping communications open and on working toward mutually beneficial goals established by these committees, such as economic development.

Professional Development

Changes on the collective bargaining scene continue to place demands on the

Service's responsibility to provide for the professional developments of its staff. In addition to the development of its own professional staff, the Service provides specialized assistance to train third party neutrals in dispute resolution techniques from other organizations.

The Service's National Seminar was held in New Orleans in November 1975. The entire professional staff attended this seminar which attracted prominent national speakers on a wide range of collective bargaining matters. Specialized workshops on 12 different labor relations areas were held throughout the program consistent with the Service's objectives of keeping its professional mediator updated on new trends and developments.

Orientation Conferences

Twenty-eight newly appointed mediators completed intensive orientation programs in Washington, D.C., in October 1975 and April 1976. These orientation programs serve as a background for several months of extensive field training under the direction of the Service's eight regional offices.

Representatives from state and local agencies continue to attend these orientation sessions as a part of the Service's cooperative effort to assist other jurisdictions with new collective bargaining responsibilities. The policy of the Service is to encourage states and localities to develop effective dispute resolution procedures and techniques.

Workshop Series

Specialized workshops are provided for selected mediators to update them on new developments and information. With the introduction of Relationships by Objectives (RBO) as a formal technical assistance program in early 1975 (see 1975 Annual Report, page 44), a cadre of 25 mediators was selected for an intensive workshop held in Williamsburg, Va., September 1975. As a followup to this workshop, almost every mediator in attendance has been assigned to, and involved in, an RBO program. The combination of this workshop and on-the-job training has resulted in 40 mediators fully qualified to handle RBO programs.

Thirteen mediators participated in the previously mentioned national conference on Area Labor-Management Committees. Speakers at this conference included top labor-management representatives from several Area Labor-Management Committees across the nation. In addition, workshops were held with government representatives from the Appalachian Regional Council and Economic Development Administration of the U.S. Department of Commerce. The National League of Cities also participated in these workshops. The purpose was to bring together all organizations concerned with labor-management cooperation to facilitate industrial retention and community development in the Appalachian area.

During the transitional quarter, another four-day workshop was held for ten mediators to prepare them for assignments in the coal industry labor relations training program. This program focused on the unique history of labor relations in the coal industry, the causes of wild-cat strikes in that industry and included a specialized program on grievance-arbitration administration. Each mediator

will be assigned for two months to training programs in the coal fields scheduled in cooperation with the Bituminous Coal Operators' Association and the United Mine Workers Union. Much of the program material developed for this industry has been introduced in other technical assistance programs throughout the United States.

FMCS assistance can take many forms and is not always limited to labor-management problems.

When the Oglala Sioux Indian tribe on the Pine Ridge, S.D., reservation sought to have a peaceful election, the leaders of the tribe turned to the FMCS for assistance.

The Service mobilized teams of mediators and staff personnel, helped the Oglala Sioux plan their election process sent a team of personnel to the reservation to assist the tribe, and stayed there through the election.

It turned out peaceful and all parties considered the election fair.

Research

The Office of Technical Services continued to provide specialized research services through its division of Research Planning and Development. This activity is limited to providing internal staff as sistance to the Office of the Nationa Director, the several divisions of the national office, regional management and the field mediation staff. This research activity gathers and analyzes information for the administration of the agency and for mediators engaged in cas amendments.

Summary of Activities

In providing research staff support to other activities of the Service, the research and technical information product becomes part of publications of other divisions of the Service or appears in the form of various mediation activities.

During FY 76, the division assisted in the development of the Service's administration of the new health care amendments to the NLRA, provided administrative services to the recently established Health Care Industry Labor-Management Advisory Committee and assembled various materials for use by the Committee.

The division has reviewed various aspects of the economy, collective bargaining and mediation as well as analyzed the annual activities of the Service in mediation, technical assistance and arbitration which appear in other sections of this annual report.

Since the division constitutes the major resource within the Service for information on dispute resolution, it monitors current research on dispute resolution and associated areas and has examined various approaches to research on the mediation function, patterns of mediation use and possible applications of dispute resolution techniques for nonlabor applications. Based on the experience of the Service, the division has consulted with various jurisdictions on the design and application of dispute resolution mechanisms appropriate to their needs.

The research group assisted regional activities by supplying specific information such as data on local economic conlitions as they affect bargaining, reviews

of regional activity patterns, as well as regional industry and labor profiles.

To meet the general needs of mediators in the field, the research activity has supplied information on specific industries, bargaining structures and issues, current economic conditions and settlement patterns. In support of technical assistance cases, the division has given substantive conference design assistance, prepared background papers and training materials.

Reference Material

As a regular service to the mediators who require concise current information on labor relations developments, the division issues a periodic internal bulletin on current labor management developments and on cost-of-living data. It issued a pocket-sized ready reference packet of information on economic and other bargaining data as well as information on Service programs for use by the mediators. This packet of information is designed to assist the mediator requiring current data at the bargaining table. For that reason, this information is kept current on a monthly basis.

During the report period, the division has established and maintained a technical information system to provide information required by the mediator in the fastest and most complete manner possible. This includes the creation of a central reference library at the national office, the establishment of technical information resource centers at the regional and field office levels and a procedure for mediators to receive specific technical information in support of case

activities. The monthly use of the technical information system has grown by 300 percent since its inception and equal future growth is anticipated. This assistance may vary from requests for specific information required immediately for use in a dispute case through background information for the development of a technical assistance case.

The resources of the research division enable it to render a full range of additional services which are difficult to categorize. These include assistance in FMCS professional development, services relating to FMCS involvement in several international labor organizations, such as ILO and OECD, and incidental use of staff members in specialized case assignments. In addition, staff members represent the Service at various technical meetings. In areas of mutual concern, the research division has worked closely with other activities, both governmental and nongovernmental, providing research proposal evaluation, consulting on research and informational needs and provided for technical assistance in the development of external and internal programs sponsored by those activities. Through such liaison efforts, FMCS has gained access to research and information sources which supplement its own resources.

The division, while still in a period of development, has provided a range of resources and services which had not been fully available to the Service in the past. Through the addition of this new dimension of staff activities, the FMCS is expected to provide an additional dimension of services required by the parties involved in contemporary labor relations.

Chapter VI

Arbitration

The demand for arbitration assistance continues to increase. Since FY 70, the number of panel requests received by the FMCS and the number of panels submitted in response virtually have doubled. See Table 20. Figures compiled for the transition quarter show a sustained rate of increase.

In FY 76, the number of requests reached and at times exceeded the capacity of the Office of Arbitration Services to process them. To enable the Service to meet current workloads and anticipated future increases, new procedures were established. Area panels were pre-selected and available for immediate submission to the parties. Not only will the new procedures enable the Office of Arbitration Services to handle greater numbers of requests, they will also shorten the time it takes to get panels into the hands of the parties.

Revising and improving the system for processing panel requests was but one undertaking in FY 76 and the transition quarter. Another major project was the completion and adoption of new policies and regulations governing the conduct of arbitrators on the FMCS roster. The project was undertaken with the assistance of arbitrators, the labor-management community, law schools and the FMCS Arbitration Services Advisory Committee. The committee is made up of 12 prominent arbitrators and distinguished



representatives of labor and industry who use the arbitration process. The committee advises the national director of the Service and the Office of Arbitration Services on the development and implementation of policies relating to arbitration.

Perhaps the most important achievement of this effort was the development of new and standardized guidelines for both appointing arbitrators to the FMCS roster and for removing them from the roster when they no longer meet the high criteria required.

Health Care Boards

The health care amendments to the National Labor Relations Act that were enacted in 1974 gave the Director of the Service authority to appoint boards o inquiry in health care industry disputes Generally, these boards consist of a single person, usually an arbitrator with some experience in the health care field

When the determination is made to appoint such a board, the Office of Arbitration Services has the responsibility in most instances to locate an acceptable person or persons.

A number of other projects are handled as special activities. For example, in FY 76, the Office of Arbitration Service worked with the Bituminous Coal Operators Association and the United Min Workers to establish panels of arbitrators to hear disputes in the variou UMW districts. The office also assisted the Federal Aviation Administration and the Professional Air Traffic Controllers Organization establish a national panel and 12 regional panels to expedite griev ance hearings.

Table 20 Number and percent change in number of panel requests and direct appointments, panels submitted and arbitrator appointments-fiscal years 1967 through 1976

	1967	1968	1969	1970	1971	1972	1973	1974	1975	19	76	Transition quarter
Activity	Arbitra- tion activity	Percent change from FY 75	Arbitra- tion activity									
Panel requests	6,955	7,809	8,479	10,055	12,327	13,005	13,626	15,445	18,619	20,738	11.4	5,479
Panels submitted	7,623	8,630	9,679	11,124	13,235	13,842	15,121	16,952	20,508	22,090	7.7	5,387
Arbitrator appointments	3,953	4,175	4,493	5,318	5,759	6,263	6,665	7,612	10,278	10,509	2.6	2,600

Arbitration Symposiums

Arbitrators are usually independent elf-employed persons. Several years go, the Service recognized that arbitraors could benefit from special symposiims in which they could meet to discuss roblems, share experiences and take part n programs to increase and expand their rofessional knowledge and contacts.

During FY 76, the Service conducted our symposiums: in Atlanta, Philadelhia, San Francisco and St. Louis.

Arbitration is not only important to ibitrators and the parties, it is an imortant subject that needs understanding y all organizations and individuals conected with labor-management relations. MCS speakers presented talks on arbiation to organizations such as the merican Institute for Free Labor De-

velopment, the Fraternal Order of Police, the Community Services Administration of the Department of Justice, various chapters of the Industrial Relations Research Association and provided programs and lectures at numerous universities and colleges, bar associations and general programs and seminars dealing with labor-management affairs.

Liaison and Cooperation

The Service maintains contacts with other agencies and organizations involved with arbitration, notably the National Academy of Arbitrators and the American Arbitration Association.

The Service participated with the American Arbitration Association and the University of Michigan to develop a program for the General Electric Com-

pany and the International Union of Electrical Workers. Both the company and the union wanted to develop a cadre of qualified arbitrators to hear grievances. Under the program, 15 candidates were selected from hundreds of applicants and given intensive instruction followed by on-the-job training assignments with experienced arbitrators. Upon completion of the one-year program, all were placed on the FMCS roster of arbitrators and were guaranteed at least three cases within two years.

The Service also assisted the states of Maryland, Hawaii and Illinois in connection with arbitration. Basically, the assistance consisted of suggestions for the establishment of hearing procedures, conducting workshops for persons in the arbitration process, and suggesting arbitrators who might be available.

Arbitration Cases

Arbitration cases can be broken down into two categories: rights or grievance cases which arise over contract interpretation and generally involve personnel matters, such as discipline, promotion, hiring and firing, etc.; and interest arbitration. Interest arbitration is the term used to describe the arbitration of actual contract terms and conditions by a third-party neutral.

As Table 21 shows, the great majority of cases handled through the Service involve rights or grievance arbitration. However, it is significant that the number of interest cases rose from only 16 in FY 75 to 68 in FY 76. One reason for this is the growing importance of public sector negotiations. Without the right to strike, many public sector unions and their agencies use interest arbitration as a last resort in stalled negotiations.

Arbitration Costs

In recent years, the parties have become much more cost conscious as the cost of arbitration has risen. Although the FMCS does not keep a record of all costs in the arbitration process, it does gather data on key elements.

Table 22 shows the average number of days charged by artbitrators in traveling to a case, hearing a case and for study time. Study time is the time to review the case record and to write the award. These times remain relatively constant over the years and the trend is actually downward. Costs, however, have increased because the per diem fee charged by arbitrators has increased, as shown by Table 23. It should be noted,

Table 21

Type of arbitration cases comprising total of award cases closed in fiscal years 1975 and 1976 and transition quarter

19	975	19	76	Transition quarter		
Total number	Percent of total	Total number	Percent of total	Total number	Percent of total	
4,484	100.0	5,550	100.0	1,335	100.0	
3,490	77.8	4,324	77.9	1,029	77.1	
16	0.4	68	1.2	10	0.8	
978	21.8	1,158	20.9	296	22.1	
	Total number <u>4,484</u> 3,490 16	number of total 4,484 100.0 3,490 77.8 16 0.4	Total number Percent of total Total number 4,484 100.0 5,550 3,490 77.8 4,324 16 0.4 68	Total number Percent of total Total number Percent of total 4,484 100.0 5,550 100.0 3,490 77.8 4,324 77.9 16 0.4 68 1.2	Total number Percent of total Total number Percent of total Total number 4,484 100.0 5,550 100.0 1,335 3,490 77.8 4,324 77.9 1,029 16 0.4 68 1.2 10	

* Defined as those cases involving issues in dispute over interpretation and/or application of the existing collective bargaining agreement.

† Defined as those cases involving the determination by the arbitrator of the contract terms themselve in initial, renewed or reopened collective bargaining agreements.

** Unidentifiable as to type due to inadequate reporting by the arbitrator.

however, that in terms of noninflated constant FY 67 dollars, the cost of arbitration has actually declined. The 40 percent increase in per diem rates and the 32 percent increase in total case costs is far below the almost 75 percent rise in the cost of living over the same period of time.

Perhaps the growing concern with cost has less to do with rising rates than it does with the dramatic increase in total cases. FMCS figures show that panel requests and submissions have almost tripled during the nine years. By comparison, union growth has been light during this period. Thus unions and employers are sharing the cost of more cases and are thus more cost conscious today than in the past.

Table 22

Average number of days charged by arbitrators for travel, hearing and study time based on closed arbitration award cases sampled for fiscal years 1967 through 1976 and transition quarter*

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1	976	Transition quarter
Activity charged for	Days charged	Percent change from FY 75	Days charged									
Total	3.2	3.07	3.03	2.93	2.96	2.96	2.96	3.0	2.89	2.88	-0.3	2.95
Travel days		.32	.38	.35	.39	.36	.32	.34	.32	.32	0	.33
Hearing days	1.0	1.0	.95	.92	.92	.91	.92	.93	.93	.89	-4.3	.89
Study days	1.8	1.75	1.7	1.66	1.65	1.69	1.72	1.73	1.67	1.67	0	1.73

^{*} Based on sample of cases: for 1970, 722 cases; for 1971, 719 cases; for 1972, 850 cases; for 1973, 870 cases; for 1974, 742 cases; for 1975, 444 cases; for 1976, 525 cases, and for the transition quarter, 133 cases.

Table 23

Average per diem rates, fees and expenses charged by arbitrators based on closed arbitration award cases sampled for fiscal years 1967 through 1976 and transition quarter*

	1967	1968	1969	1970	1971	1972	1973	1974	1975	197	76	Transition quarter
Arbitrators' per diem ates, fees and expenses charged	Dollar amount	Percent change from FY 75	Dollar amount									
'er diem rate	\$144.06	\$141.45	\$145.09	\$156.83	\$163.88	\$172.53	\$176.32	\$180.72	\$192.30	\$202.37	5.2	\$209.92
otal charged	526.05	513.12	511.06	539.88	566.59	590.12	596.77	601.33	621.31	662.39	6.6	696.86
Amount of fee	461.00	441.87	435.03	457.97	480.88	510.52	520.40	529.55	550.81	581.72	5.6	617.92
Amount of expenses .	65.05	71.25	76.03	81.91	85.71	79.60	76.37	71.78	70.50	80.67	14.4	78.94

Based on sample of cases: for 1970, 722 cases; for 1971, 719 cases; for 1972, 850 cases; for 1973, 870 cases; for 1974, 742 cases; for 1975, 444 cases; for 1976, 525 cases, and for the transition quarter, 133 cases.

There are other factors besides the arbitrator's fee that can add to the cost. About 25 percent of all cases handled by the FMCS include transcripts of the hearing and in about two-thirds of all cases, legal briefs are filed by one or both parties. Some studies have indicated that the legal fees each party pays when briefs are filed often exceed the total cost of the arbitrator's fee. Table 24 shows the number and percentage of transcripts and briefs in closed arbitration cases in FY 75 and FY 76 and during the transition quarter.

Time Considerations

The time it takes for an award to be granted is getting closer scrutiny by the parties, although as Table 25 shows, the total time elapsed between the time that a grievance is filed and an award has been made is actually lower today (except for the transition quarter) than in FY 70 and than in any year except FY 75.

The arbitration process may be thought of as having two phases: pre-hearing and post-hearing.

The pre-hearing phase consists of all the steps from the time a grievance is filed up to the moment a case is heard. The post-hearing phase consists of the amount of time after a hearing until an award is made. Again, Table 25 shows a breakdown of both phases by the amount of time elapsed.

Table 24

Incidence of transcripts taken and briefs filed in arbitration award case closed by FMCS in fiscal years 1975 and 1976 and transition quarter

	19	1975 1976			Transition quarter		
Transcripts and briefs	Number	Percent	Number	Percent	Number	Percent	
	of cases	of	of cases	of	of cases	of	
	closed	total	closed	total	closed	total	
TRANSCRIPTS Taken Not taken Other*	4,484	100.0	5,550	100.0	1,335	100.0	
	1,207	26.9	1,424	25.7	907	67.9	
	3,099	69.1	3,897	70.2	408	30.6	
	178	4.0	229	4.1	20	1.5	
BRIEFS	4,484	100.0	5,550	100.0	1,335	100.0	
	2,986	66.6	3,731	67.2	359	26.9	
	1,453	32.4	1,746	31.5	934	70.0	
	45	1.0	73	1.3	42	3.1	

^{*} Information not reported by the arbitrator on his or her fee and award statement submitted to the Office of Arbitration Services.

Table 25

Average elapsed time in days and percent change in elapsed time per case for FMCS closed arbitration award cases sampled in fiscal years 1970 through 1976 and transition quarter*

	1970	1971	1972	1973	1974	1975	19	976	Transition quarter
equence of events	Average number of days elapsed	Percent change from FY 75	Average number of days elapsed						
Total	245.6	250.9	241.5	257.1	251.8	223.2	233.5	4.6	265.6
RE-HEARING PHASE	196.6	203.8	195.1	208.4	199.8	180.6	187.7	3.9	216.1
Between grievance filing and request for panel	81.4	83.3	75.1	84.7	78.6	68.3	77.3	3.2	80.0
Between panel request date and panel sent	7.8	11.1	15.1	15.7	10.1	5.9	5.7	- 3.4	9.4
Between date panel sent and appointment of arbitrator	44.3	46.0	43.8	45.7	44.0	44.9	39.3	12.5	54.5
Between date of appointment and date of hearing	63.1	63.4	61.1	62.3	67.1	61.5	65.4	6.3	72.2
DST-HEARING PHASE	49.0	47.1	46.4	48.7	52.0	42.6	45.8	7.5	49.5
Between hearing date and date award rendered by arbitrator									

Based on sample of cases: for 1970, 722 cases; for 1971, 719 cases; for 1972, 850 cases; for 1973, 870 cases; for 1974, 742 cases; for 1975, 444 cases; or 1976, 525 cases, and for transition quarter, 133 cases.

Closed Arbitration Cases

The number of closed arbitration cases recorded by the Service jumped 24 percent in FY 76. See Table 26. It should be noted that the 5,550 cases represent only a little more than a quarter of the number of panel requests received by the Service and only about half of the arbitrator appointments made by the Service. The explanation is that many grievances are resolved after a panel has been requested but before an arbitrator is selected by the parties and appointed by the Service; even after an arbitrator has been selected and appointed, about half of the remaining grievances are resolved before a hearing is held.

Information pertaining to issues and awards was available in all but two of the recorded cases. As Table 27 shows, discharge and disciplinary issues rank first among all issues as they have in previous years. Seniority questions were second and increased by 40 percent above FY 75 while layoff, bumping and recall issues ranked third and posted a dramatic 105.5 percent increase. Both of the latter two increases can be traced to the economic recession in FY 75 and the layoffs and disruptions in jobs that occurred.

Another sizeable increase occurred in economic issues, especially wage issues and rates of pay. This category in total, however, only amounts to 13 percent of all issues.

Table 26

Number and percent of applicable arbitration award cases closed

Number and percent of applicable arbitration award cases closed in fiscal years 1975 and 1976 involving single and multiple issues

	197	75	1976			
Single and multiple issue cases	Total number of arbitration cases closed	Cases as a percent of total	Total number of arbitration cases closed	Cases as a percent of total		
Total	4,464*	100.0	5,550	100.0		
Single issue cases	894	20.0	1,057	19.0		
Multiple issue cases	3,570	80.0	4,491	81.0		

^{*} Of the total of 4,484 arbitration cases closed in fiscal year 1975, arbitrators failed to report on t number and types of issues involved in 20 cases.

Table 27

Jumber and percent change in number of issues reported in applicable FMCS closed arbitration award cases for fiscal years 1970 through 1976 and transition quarter

	1970	1971	1972	1973	1974	1975	1	976	Transition quarter
oecific issues	Total number of issues	Total number of issues	Total number of issues	Total number of issues	Total number of issues	Total number of issues	Total number of issues	Percent change from FY 75	Total number of issues
Total	3,210	3,230	4,133	4,255	5,341	5,243	6,855	30.7	1,781
Overtime other than pay* Distribution of overtime Compulsory overtime Other Seniority Promotion and upgrading Layoff, bumping and recall Transfer Other Union officers** Strike and lockout Working conditions*** Discrimination Management rights Scheduling of work	895 219 199 20 — 440 208 151 81 90 13 14 40 — 169	957 196 178 18 — 542 169 208 73 92 23 18 31 — 147	1,088 191 172 19 — 646 137 327 96 86 21 18 48 — — 182	1,130 204 187 17 653 203 264 96 90 27 19 48 —	1,255 237 208 29 708 246 248 104 110 30 18 59 203	1,347 249 198 25 26 691 260 234 94 103 20 18 45 48 115 161	2,170 253 197 20 36 969 246 481 117 125 32 18 56 65 167 158	61.0 1.6 5 - 20.0 38.5 40.2 - 5.4 105.5 24.5 21.4 60.0 0 24.4 35.4 45.2 - 1.9	
Work assignments	_	_	_	_	_		452	1.9 	41 106
FONOMIC: WAGE RATES & FY ISSUES Nage issues Rate of pay Severance pay Reporting, call-in and call-back pay Holidays and holiday pay	565 	449 	559 — — — 77 101			729 53 107 11	912 92 190 10	25.1 73.6 77.6 9.1	154 19 40 —
/acations and vacation pay	91	99	132	119 113	117 140	101	152	50.5	32
ncentive rates or standards)vertime pay	79 200	63 151	77	82 181	96 221	108 58 199	104 78 177	3.734.511.1	31 12 —

Overtime pay issues included under category Economic: Wage rates and pay issues. Included in this classification are issues concerning superseniority and union business. This classification also includes issues concerning safety.

Table 27

Number and percent change in number of issues reported in applicable FMCS closed arbitration award case for fiscal years 1970 through 1976 and transition quarter . . . continued

101 1100	ar your o	-	0						
	1970	1971	1972	1973	1974	1975	19	76	Transition quarter
Specific issues	Total number of issues	Total number of issues	Total number of issues	Total number of . issues	Total number of issues	Total number of issues	Total number of issues	Percent change from FY 75	Total number of issues
		100	164	161	176	164	207	26.2	45
FRINGE BENEFIT ISSUES Health and welfare Pensions	105 43 6	106 34 7	<u>164</u> 51 21	51 24	55 23 98	66 21 77	82 22 103	24.2 4.8 33.8	17 4 24
Other	56	65	92	86	98	11	100	00.0	- '
DISCHARGE & DISCIPLINARY ISSUES	921	1,009	1,226	1,302	1,857	1,812	2,150	18.7	538
TECHNICAL ISSUES Job posting and bidding	341	344	387	400	499	260 56	<u>364</u> 186	<u>40.0</u> 53.6	47 27
Job evaluation	341	344	387	400	499 —	204	90 188	- 55.9 	20 —
SCOPE OF AGREEMENT	155	156	211	186	211	202	221	9.4	61
Subcontracting	64	66	92	95	93	104	109 45	4.8 36.4	36 10
Jurisdictional disputes Foreman, supervision, etc	40 47	31 54	47 61	40 42	45 63	33 57	58	1.8	14
Mergers, consolidations, accretion other plants	4	5	11	9	8	8	9	12.5	1
ARBITRABILITY OF GRIEVANCES		_	261	252	397	497	608	22.3 31.9	<u> 165</u> 77
Procedural			141	143	200 121	235 140	310 151	7.9	40
Substantive			68 32	70 29	62	90	92	2.2	31
Procedural and substantive Other		_	20	10	14	32	55	71.9	17
NOT ELSEWHERE CLASSIFIED .	228	209	237	243	283	232	223	3.9	66

Finally Table 28 shows a breakout of arbitration cases by sections of the county and by states. As in previous years, he heavily industrialized and organized East-North Central states (Illinois, Indina, Michigan, Ohio and Wisconsin) ac-

counted for the highest proportion of FMCS closed arbitration cases. Among the individual states, Ohio continued to rank first. California, second in FY 75, was one of the few statistically significant states to show a decline and dropped to

fifth. Illinois, with a 40 percent increase in cases, moved from fourth to second, vaulting over Texas which, with a 24.6 percent increase remained third. Tennessee, with a 36.9 percent increase, moved from fifth in FY 75 to fourth in FY 76.

Table 28

Number and percent change in closed arbitration awards cases by region and state for fiscal years 1967 through 1976 and transition quarter

	1967	1968	1969	1970	1971	1972	1973	1974	1975	19	976	Trans. Qtr.
State and region	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Percent change from FY 75	Total number of cases
Total	1,977	2,268	2,521	2,848	2,835	3,432	3,542	4,490	4,484	5,550	23.8	1,335
Connecticut	-34 7 3 18 1 3 2	43 15 3 22 — 3	25 10 1 1	45 9 5 22 2 6 1	38 8 -20 2 5 3	73 23 5 32 2 10 1	50 10 2 20 1 14 3	68 17 2 33 4 9	68 14 3 33 4 11	91 26 12 32 10 10	33.8 85.7 400.0 - 3.0 150.0 - 9.0 - 66.0	35 7 2 13 5 5
New Jersey New York Pennsylvania	299 67 99 133	352 84 86 182	347 79 97 171	365 101 116 148	367 94 124 149	97 161 208	471 99 159 213	501 99 152 250	93 154 224	590 121 195 274	25.3 30.1 26.6 22.3	149 31 53
OUTH ATLANTIC Delaware District of Columbia Florida Georgia Maryland North Carolina South Carolina Virginia West Virginia	261 4 18 42 54 39 9 11 44 40	318 1 11 69 58 48 27 14 41 49	316 2 15 63 63 39 24 6 47 57	397 3 19 64 99 48 28 22 56 58	343 5 7 51 88 60 28 14 51 39		464 20 77 129 64 31 35 54 50	592 8 61 84 140 64 49 39 71 76	595 8 72 96 112 77 45 30 91 64	716 6 71 125 148 106 66 43 99 97	20.3 - 25.0 - 1.4 30.2 32.1 37.6 46.6 43.3 8.8 51.6	65 179 2 22 21 42 31 18 7 19 17
AST NORTH CENTRAL Illinois Indiana Michigan Ohio Wisconsin	624 131 123 65 267 38	681 161 139 77 271 33	716 144 157 61 302 52	816 139 193 89 327 68	210 150 101 340 75	1,052 208 196 130 404 114	1,030 212 209 133 401 75	1,261 274 235 159 484 109	1,340 277 219 158 569 117	1,640 388 269 166 618 199	22.4 40.1 22.8 5.1 8.6 70.1	372 99 76 37 114 46

Table 28

Number and percent change in closed arbitration awards cases by region and state for fiscal years 1967 through 1976 and transition quarter . . . continued

			9									
	1967	1968	1969	1970	1971	1972	1973	1974	1975	19	76	Trans. Qtr.
State and region	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Total number of cases	Percent change from FY 75	Total number of cases
WEST NORTH CENTRAL lowa	142 31 20 15 68 7 1		218 37 37 42 94 7 1	214 42 22 35 96 13 4 2	193 34 24 30 92 10 3	247 47 25 41 116 17 1	278 59 23 36 136 19 5	353 70 28 49 191 11 2 2	359 70 34 43 189 15 4	99 39 74 196 13 2 2	18.4 41.4 14.7 72.1 3.7 - 13.3 - 50.0 - 50.0	115 29 12 10 58 6 0
EAST SOUTH CENTRAL Alabama Kentucky Mississippi Tennessee	201 40 31 9 121	250 57 45 18 127	373 98 63 24 188	378 105 76 37 160	78 86 27 181	419 84 112 26 197	- 445 111 102 27 205	548 137 147 42 222	596 117 188 47 244	737 166 182 55 334	23.7 41.9 - 3.2 17.0 36.9	160 41 47 9 63
WEST SOUTH CENTRAL Arkansas Louisiana Oklahoma		295 47 51 47 150	303 57 60 47 139	327 51 70 59 147	330 44 70 37 179	393 62 66 62 203	418 66 71 50 231	593 102 87 96 308	526 92 90 64 280	672 108 121 94 349	27.8 17.4 34.4 46.8 24.6	177 18 35 28 96
Texas MOUNTAIN Arizona Colorado Idaho Montana Nevada New Mexico Utah Wyoming	71 13 5 1 5 19 23 0 5	60 6 13 4 6 9 19 1 2	68 12 12 4 9 7 19 4 1	89 25 19 6 10 14 10 1	70 22 8 7 4 11 11 2 5	92 17 15 8 2 17 28 2 3	79 15 21 6 1 17 14 — 5	24 30 9 12 20 21 2	21 36 8 7 20 19 8 2		42.1 138.0 - 2.7 200.0 42.9 - 10.0 63.2 12.5 50.0	-31 7 9 6 0 4 4 1 0
PACIFIC	155 1 128 0 9 17	152 	155 2 132 — 10 11	217 0 191 8 18	246 1 207 8 30 0	264 3 214 15 32 3	307 4 270 1 7 25	452 1 379 22 50	407 2 351 2 15 37 1	454 11 314 44 85 7	11.5 450.0 - 10.5 - 193.0 130.0 - 100.0	115 5 71 1 14 24 2 0
Puerto Rico Virgin Islands	_	_	_	_		3				5	<u>-</u>	2

^{*} No change

Chapter VII

General Counsel

The Office of the General Counsel proides the legal advice and support needed by the Service to carry out its mission.

In addition to representing the agency legal matters, the office reviews all olicy directives and programs to insure hat they comply with regulations. The office also provides liaison with memers of Congress and other government gencies as required.

The Service became involved in two milar and significant court rulings in Y 76. Both involved an interpretation of section of the 1974 health care amendents to the National Labor Relations ct.

The health care amendments provide lat a party to a labor-management conact in the health care industry must erve notice upon the other party "90 lys prior to the expiration date there." They also provide that the party ust notify the FMCS "within 30 days ter such a notice . . . provided no agree-



Congressman Stanley Lundine addresses first national conference of area labor-management committees held at Arlington, Va.

ment has been reached." The amendments also give the national director of the Service the authority to appoint a board of inquiry to determine the facts and make recommendations for a settlement "within 30 days after the notice to the Federal Mediation and Conciliation Service."

In Affiliated Hospitals v. Scearce, the District Court for the Northern District of California ruled that the language of the amendments should be interpreted literally and that the 30-day period of time in which the Service may appoint a board of inquiry begins the moment the FMCS receives notice of a dispute. In effect, the court said that "within 30 days" means that the notice can be served at any time after the other party is notified up until 30 days have passed.

The Service has taken the position that this was not the intention of Congress and that such a literal interpretation allows the parties to frustrate the board of inquiry provision. For example, if one party serves the other with a 90-day notice and then notifies the Service an hour later, but no bargaining begins for 30 days, the period in which a board may be appointed runs out before any positions are put on the table and any factfinding is possible.

In a similar case, Sinai Hospital of Baltimore, Inc. v. Scearce, the initial court ruling sided with the FMCS's position. Both decisions have been appealed.

In another case, Buffalo General Hospital v. FMCS et al, the Court dismissed an injunctive suit alleging that the national director's appointed board of inquiry was not impartial within the meaning of the law.

The Hopi-Navajo Dispute

Negotiations between the Hopi and Navajo Indian tribes over tribal rights to large land areas in northeastern Arizona continued in FY 76 (See the FMCS FY 75 Annual Report). The Service appointed a special mediator and assigned an FMCS mediator to assist and in addition provided administrative support. After nine months of negotiations, the mediator submitted his report and recommendations to the District Court for the District of Arizona.

The court then conducted hearings and received arguments on the proposed partitioning. On September 7, 1976, the court ruled that the mediator, in making his recommendations, had complied with all aspects of the law that provided for this special mediation. In the ruling, the court also proposed to approve and make effective the partition recommended by the mediator, following a conference to be conducted among the interested parties. At the time of this report, no final ruling had been entered.

Confidentiality of Mediation

The Office of the General Counsel has taken the position to vigorously defend the agency's policy of insuring confidentiality of the mediation process. Numerous subpoenas for mediator testimony or records in court cases and before the National Labor Relations Board were quashed.

In National Airlines Inc. v. Airline Pilots International Association et al., subpoenas for the testimony of a former FMCS national director and his special assistant were quashed. The District

Court for the District of Columbia held that the parties to a mediation activity are bound by the regulations of the agency that govern mediation (29 CFR 1401.2) and that "disclosure of information obtained by federal mediators in the course of their duties cannot be exacted in disputes between private parties"

Freedom of Information Act

The Service receives a number of requests for information under the Freedom of Information Act. These requests are evaluated by the Office of the General Counsel to insure that they would not compromise the mediation process if granted. Confidential mediator notes and records are protected under the exception to the act for "trade secrets and commercial or financial information obtained from a person which are privileged or confidential." The Service also had to take into account the very complex Privacy Act and prepare notices of the various systems of records maintained by the agency for publication in the Federal Register.

The office spent a considerable amount of time drafting regulations for the agency's arbitration services program. In addition to updating and clarifying many provisions of the regulations, the revised regulations also clearly enunciate the standards for arbitrator eligibility for admission to the roster as well as grounds for removal from the roster. Drafting of the regulations required close coordination with the Office of Arbitration Services and the Arbitration Advisory Committee. See Chapter VI.



Regional officials visit Washington offices pe



tion techniques and administrative procedures.

Chapter VIII

Administration

The Office of Administration furnishes a full range of support services that insures that the Federal Mediation and Conciliation Service operates smoothly and efficiently with adequate financial and personnel resources to carry out its mission of promoting labor-management peace. Support activities include budget and finance, personnel management and administration, operations audits, management information systems, general housekeeping, and coordinating field administration.

The Budget and Financial Management Division develops budget estimates and supporting data to meet the needs of the Service; coordinates and assists in presenting these estimates to the Office of Management and Budget and the Congress; provides an integrated system of accounting and budgetary controls, records, and reports to meet management's needs and to insure compliance with all laws, rules, and regulations governing the expenditure of funds; prepares, reviews, and schedules payment of all payrolls and departmental vouchers, and prescribes procedural controls for financial activities at the regional office level.

The Personnel Management Division is responsible for maintaining the quality of manpower within the Service; the full utilization of personnel resources; career development; screening and hiring applicants, and maintaining good working conditions and employee relations within the agency.

The Management Information Systems Division is responsible for management and statistical analyses and the administration of data processing activities performed by the Service. It has the responsibility for the overall design, development, and coordination of data gathering techniques, interpreting data to discern trends, preparing statistical charts and reports, and providing this information to the national and regional offices.

The Administrative Services Division provides support for the national office, the eight regional offices, and 71 field offices across the country. These support activities include housing and space management, supplies and forms, printing and distribution, procurement and interoffice communications.

The organization structure of the FMCS reflects the varied responsibilities of the Service. Table 29 identifies each office of the Service. The map on page 64, Table 30, shows the location of the national office, the eight regional offices, and the 71 field office locations.

The Office of Administration continually reviews and modifies its operations to keep up with changing needs and adopts new and better administrative management and policies and procedures as required.

Improved Facilities

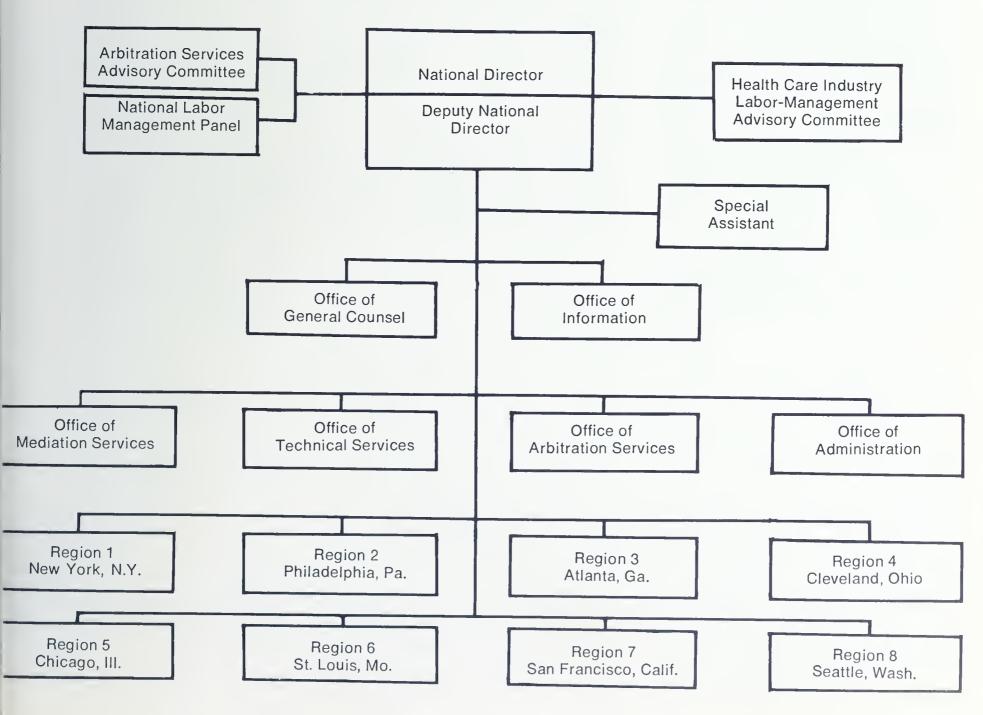
During FY 76, efforts continued in up-

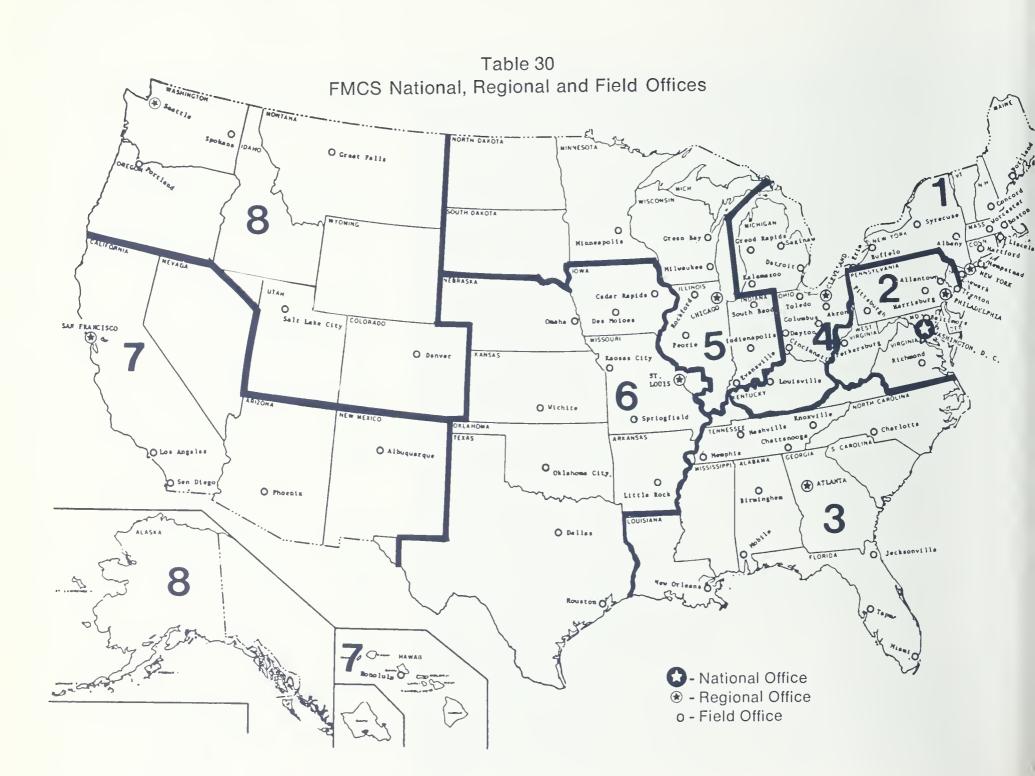


Team of national office and field mediators conducts exhaustive series of interviews with appl cants for mediator positions.

Table 29

Federal Mediation and Conciliation Service Organization Chart — Sept. 1976





rading the Service's office space. A total of 17 regional and field offices were either elocated to new office space or received dditional space at their present locations. In addition, the national headquarters in Washington, D.C., moved to a ew location. In all instances, the new pace is more accessible to the particiants and more conducive to productive egotiations.

eproduction Services

During FY 76, an inhouse survey was erformed to determine the effectiveness four reproduction services. As a result f this survey, the Service made several ranges which increased the productivity and decreased costs. A total copy system as replaced by a Xerox 9200; a 50-bin ollator was returned to the vendor, and wick copy machines were placed on ach floor of the national headquarters yilding. These changes resulted in annual savings of \$18,000.

ayroll System

The automated payroll system was rened during the fiscal year. In addition producing some needed specialized reorts, the system was modified to include city tax capability where required. Adtional improvements to the system are ojected.

rsonnel System

During the fiscal year major advances ere made toward implementing an tomated personnel system. Constructon of a data base was initiated to rtially automate many personnel operations that had been done manually the past.

Employee biographical information was computerized and programs were in the final testing stage. When operational, the system will generate the various personnel reports required by the Service, now done manually.

Special Requests

New files were created during the fiscal year to store and retrieve data never before available for processing. The existence of this data allowed for better and quicker response to special requests for information from national and regional office officials. These capabilities will continue to be expanded in the next fiscal year.

Evaluation of Accounting Systems and Improvements

The Service's Accounting Principles and Standards were approved by the Comptroller General on December 9, 1969. A revised system of administrative control of funds was put in effect in March 1975. Major changes are: (1) detailed operating instructions were removed and included in separate directives, and (2) suballotments have been eliminated and replaced with target allowances. Other directives include: Appropriation and Allotments; Target Allowances and Their Managements; Collection of Erroneous Payments; Voucher Payments, and Travel and Relocation. New general ledger accounts have also been put into effect. These directives, coupled with proposed revisions to our accounting system, should enable the Service to complete the second stage of the development and improvement of the accounting system design. In FY 77 and

78, a survey will be made of payrolling and leave operations for possible changes and improvements.

Operations Audit and Review

The operations review and audit of each region is an important management tool. These audits examine the operations of each region and each field office within the region. They concentrate on the effective use of manpower, the appropriate location and staffing of offices, and the policies and procedures in force. During FY 76, a regional and national office management team was convened to discuss the results of the audits in order to formulate plans for more effective manpower and resource utilization in FY 77. These audits also provide the basic information for staffing recommendations that are included in the annual budget submissions.

Personnel

Staffing the FMCS with highly qualified mediators, administrators, other professionals and clerical personnel is vital to the agency's success.

Mediator positions are exempt from Civil Service eligibility requirements and qualifications for hiring are determined by the Service. They are extremely high. To qualify as a mediator, an applicant usually is required to have a minimum seven years of fulltime experience in labor-management relations. Competition is very tough. More than 350 applications were reviewed for 31 mediator positions filled in FY 76. In addition to hiring qualified mediators, the Service also has a program for hiring and training a small number of mediator interns.

There were four mediator interns hired during FY 76. Special emphasis to meet Presidential initiatives and affirmative action goals resulted in the placement of four women and two blacks as professional mediators in FY 76. More emphasis is being placed on this in the future, but efforts have been hampered by the comparatively few women and blacks with the requisite experience to qualify under current standards.

Experienced mediators undergo a short period of orientation in the national office while mediator interns undergo an extensive training period of up to six months of both national office and regional office training.

At the end of FY 76, the FMCS had a total authorized staffing level of 550 positions, including 20 temporary positions. This represents an increase of 51 above FY 75. See Table 31.

There were 49 promotions awarded to mediators during the fiscal year, and 58 promotions awarded to other professional and clerical personnel. Some 257 employees received within-grade step increases and an additional 19 employees received high quality step increases. See Table 32.

A concentrated study of all aspects of personnel management initiated in the fiscal year resulted in a broad classification review, streamlining of a number of procedures to expedite personnel action and a number of initiatives to improve the merit staffing program, the performance evaluation program, and the establishment of realistic production standards in critical administrative areas.

Table 31
Staffing of the Federal Mediation and Conciliation Service for fiscal years 1975 and 1976

	FY 1975	FY 1976	Change
NATIONAL OFFICE	98	112	+14
FIELD Regional Management	24 272 105 401	35 295 108 438	+11 +23 + 3 +37
TOTAL PERMANENT POSITIONS	499	550	+51
TEMPORARY POSITIONS	_20	_20	0
TOTAL FMCS STAFFING	519	570	<u>+51</u>

Table 32
High Quality Step Increases

Joseph W. Bania Robert B. Bergstrom, Sr. Charles E. Burton John L. Courtney Thomas A. Curdie Leland Dean	Joseph A. Esselman Ansel B. Garrett John F. Healy Sherman O. Hodges Elmer D. Kincaid Edward M. Larson	Norman A. Lee Edward Mansbur John H. Martin Donovan J. Mayr Charles S. Riley Jerome H. Ross
Leland Dean Donald H. Doherty	Edward M. Larson	Jeronie H. noss

The Personnel Office has taken an ctive role in encouraging, counseling nd assisting employees at all levels vithin the agency to pursue continued ducation. The program embraces such lements as training to improve skill apabilities, upward mobility training in pecialized fields, and professional deelopment for management and profesional personnel. The emphasis is on roviding avenues for advancement and ne attainment of career goals. A variety f educational sources are used including .S. Civil Service sponsored courses, pecialized instruction offered by private istitutions, and both graduate and unergraduate college and university course ferings.

It is the policy of the Service to recogze and reward employees for outstandg performance through its Incentive wards Program. The employees listed Table 33 received awards during FY

The Congress appropriated \$18,332,000 r the Service in FY 76, including a pplemental appropriation of \$428,000 r salary increases authorized by Coness effective October 1975.

The Service initiated a new budget rmulation policy in FY 76. All national fice directors and all regional directors are involved in the budget formulation locess. In addition, each regional and fice director was made responsible for a responsible for a sorther expenditures. In the past, and diet formulation was more centralized. The new approach is expected to produce the past of resources, proble directors with strict budget limitates, yet allow them greater flexibility the use of their funds.

Table 33
Incentive Awards for fiscal year 1976

Meritorious Service Awards

W. Kenneth Evans Leon E. Groves Norman O. Walker

Sustained Superior Performance Awards

Mary C. Batrus Carolyn K. Buxbaum Yvonne C. Goodwyn Mary G. Katehis

Special Achievement Award

Dorothy J. Yount

Special Achievement — Group Award

Bertie M. Fulton Naydine F. Jones Nell L. Stinson Janice M. Thomas Patsy A. Vaughn

Commendable Service Awards

Richard T. Bible Joseph DeLorenzo John J. Sullivan

Special Act or Service Awards

Donald W. Herring Paul E. Fluet

Special Act or Service — Group Award

Samuel Baumgardner Charles E. Burton Allen Coates Gary W. Crawford Charlene Frink Robert L. Hughes Cynthia Marcott C. Griffith Moncure Michael J. Sgroi Elizabeth L. Smith Wilbur J. Wright

Table 34

Length of Service Certificates

The following table shows the number of certificates presented during fiscal year 1976:

Year	S	Number
10		13
15		25
20		8
25		4
30		2
35		. 3
	Total	55

Table 35
Eighteen employees retired in the past year:

Name	Station Location	Total yea in federa service
Hilda S. Coon	Portland, Ore.	38
Wilhelmina D. Campbell John J. O'Reilly	Washington, D.C. Concord, N.H.	37 37
Pearl O. Smith	Washington, D.C.	37
Stephen P. Lejko	Washington, D.C.	33
Daniel W. Weggeland	Newark, N.J.	29
Mary G. Katehis	Washington, D.C.	28
Ruth M. Wunsch	Washington, D.C.	22
Frances Knopf	New York, N.Y.	21
Dorothy M. Lynch	Cleveland, Ohio	21
Frank S. McDonnell, Jr.	Boston, Mass.	21
M. Clair Willmeth	Tampa, Fla.	18
Edward W. Eidt	Worcester, Mass.	18
Albert P. Palmer	New York, N.Y.	17
Johnnie Harlow	Chicago, III.	15
Robert B. McCann	Wichita, Kan.	14
Lowell M. McGinnis	San Francisco, Calif.	10
Harold G. Rimbey	Chicago, III.	9



Chapter IX

Public Information

The public information function of the Service has always been regarded as essential to the successful administration of the collective bargaining policies established by Congress in the National Labor Relations Act.

The FMCS occupies the front lines of the labor-management arena. The agency's peacekeeping functions—mediation, arbitration, and technical assistance—operate most effectively when they are understood by the parties and the general public.

When breakdowns occur in the generally peaceful labor relations process, they usually happen because one party or the other, or both, is unaware of unfamiliar with the third party assistance available through the FMCS.

If the national policy of free collective bargaining, supplemented by third party assistance provided by the Service, is to have its maximum intended effectiveness, it is necessary that the parties and the public realize their own duties and responsibilities in the process, and the role of the Service as part of the national policy.

The FMCS therefore considers that it has a real obligation to keep the public informed about its programs and activities and to gain maximum acceptance of the nation's collective bargaining policy. The result is a continuing information program coordinated at the national level by the Office of Information.

The mediation staff in the field is especially active in this respect. They recognize the public interest involved in labor disputes in their localities and undertake to inform the media of progress

in bargaining situations, always respe ing their obligations of confidentiality the parties.

Active Participation

All mediators are expected to partipate in public information activity. As result, they frequently participate public programs in their communities explain the bargaining process.

During FY 76, there was strong partipation by mediators in all eight region totaling some 860 such cases, plus additional 115 during the transition quarter. It is estimated that the au ences reached by FMCS speakers, cluding radio and television broadcas aggregated some 3.6 million people.

In Washington, in addition to monitoriand encouraging this field activity, to Office of Information issues news leases on major developments involvithe Service, provides professional mediaison during key disputes, and matains continuing relations with labor porters from major newspapers, magzines, and broadcasters.

Additional duties include arranging in terviews with various FMCS official writing articles upon request, publishing pamphlets and reports about various FMCS activities and programs, publishing a monthly newsletter containing articles of interest about the Service a collective bargaining, providing phographic service during important negotations, and coordinating the orientation program for foreign visitors.

The Office of Information also coor nates design and printing work requir



oira Hart, 27-year old master's degree research student from the University of Warwick, England, participated in the program which brings many reign visitors to the FMCS to obtain information on mediation and U.S. labor laws. Here Ms. Hart interviews FMCS national director James F. Scearce U.S. labor relations and problem-solving techniques.

the agency and assists in answering fquiries from citizens about current bor disputes.

Ilucational Activity

The collective bargaining scene is conintly changing. In addition to encouring labor-management harmony and te of the mediation process, the FMCS formation and education program sives as a conduit to help keep the hor-management community informed aout new developments in this specialied field. Public appearances by FMCS personnel help report and explain innovations and trends in bargaining that may become helpful in the settlement of problems between parties. This may be done in seminars and conferences or at other types of union or management, or joint labor-management, assemblies.

Participation in this educational process may take the form of serving on panels and discussion groups, staging mock mediation sessions to show what typically takes place during actual negotiations, and use of films, slides and accompanying written materials.

The FMCS also actively assists many outside groups, including universities and other private institutions, to develop discussion forums to bring together top experts to exchange experiences and information.

Mediators often devote many hours in the evenings and on weekends, when most other employees are home with their families, in this type of educational activity that is basic groundwork toward building a greater measure of labormanagement peace.

Appendix A

Labor-Management Relations Act, 1947, Title I

Title I—Amendment of National Labor Relations Act

Sec. 8. (d), For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession: Provided, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification—

(1) serves a written notice upon the other party to the contract of the proposed termination or modification sixty days prior to the expiration date thereof, or in the event such contract contains no expiration date, sixty days prior to the time it is proposed to make such termination or modification;

- (2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;
- (3) notifies the Federal Mediation and Conciliation Service within thirty days after such notice of the existence of a dispute, and simultaneously therewith notifies any State or Territory agency established to mediate and conciliate disputes within the State or Territory where the dispute occurred, provided no agrement has been reached by that time; and
- (4) continues in full force and effect, without resorting to strike or lock-out, all the terms and conditions of the existing contract for a period of sixty days after such notice is given or until the expiration date of such contract, whichever occurs later:

The duties imposed upon employer employees, and labor organizations l paragraphs (2), (3), and (4) shall become inapplicable upon an intervening cer fication of the Board, under which the labor organization or individual, which is a party to the contract, has been s perseded as or ceased to be the repr sentative of the employees subject to the provisions of section 9(a), and the duti so imposed shall not be construed as I quiring either party to discuss or agr to any modification of the terms and co ditions contained in a contract for fixed period if such modification is become effective before such terms an conditions can be reopened under the provisions of the contract. Any er ployee who engages in a strike with the sixty-day period specified in this su section shall lose his status as an er ployee of the employer engaged in the particular labor dispute, for the purpos of sections 8, 9, and 10 of this Act, amended, but such loss of status f such employee shall terminate if an when he is reemployed by such en ployer.

Appendix B

Labor-Management Relations Act, 1947, Title II 'itle II—Conciliation of Labor Disputes in Industries Affecting Commerce; National Emergencies

ec. 201. That it is the policy of the inited States that—

i) sound and stable industrial peace and ie advancement of the general welfare, ealth, and safety of the Nation and of ie best interests of employers and emloyees can most satisfactorily be seared by the settlement of issues between employers and employees through ie processes of conference and collective bargaining between employers and ie representatives of their employees;

i) the settlement of issues between emoyers and employees through collecve bargaining may be advanced by aking available full and adequate govnmental facilities for conciliation, ediation, and voluntary arbitration to d and encourage employers and the presentatives of their employees to ach and maintain agreements concerng rates of pay, hours, and working inditions, and to make all reasonable Forts to settle their differences by mulal agreement reached through confrences and collective bargaining or by ch methods as may be provided for any applicable agreement for the settment of disputes; and

certain controversies which arise beteen parties to collective-bargaining reements may be avoided or minized by making available full and adequate governmental facilities for fur-

nishing assistance to employers and the representatives of their employees in formulating for inclusion within such agreements provision for adequate notice of any proposed changes in the terms of such agreement, for the final adjustment of grievances or questions regarding the application or interpretation of such agreements, and other provisions designed to prevent the subsequent arising of such controversies.

Sec. 202. (a) There is hereby created an independent agency to be known as the Federal Mediation and Conciliation Service (herein referred to as the "Service," except that for sixty days after the date of the enactment of this Act such term shall refer to the Conciliation Service of the Department of Labor). The Service shall be under the direction of a Federal Mediation and Conciliation Director (hereinafter referred to as the "Director"), who shall be appointed by the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$12,000 per annum. The Director shall not engage in any other business vocation, or employment.

(b) The Director is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the Service, and shall fix their

compensation in accordance with the Classification Act of 1923, as amended. and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such conciliators and mediators as may be necessary to carry out the functions of the Service. The Director is authorized to make such expenditures for supplies, facilities, and services as he deems necessary. Such expenditures shall be allowed and paid upon presentation of itemized vouchers therefor approved by the Director or by any employee designated by him for that purpose.

- (c) The principal office of the Service shall be in the District of Columbia, but the Director may establish regional offices convenient to localities in which labor controversies are likely to arise. The Director may by order, subject to revocation at any time, delegate any authority and discretion conferred upon him by this Act to any regional director, or other officer or employee of the Service. The Director may establish suitable procedures for cooperation with State and local mediation agencies. The Director shall make an annual report in writing to Congress at the end of the fiscal vear.
- (d) All mediation and conciliation functions of the Secretary of Labor or the

United States Conciliation Service under section 8 of the Act entitled "An Act to create a Department of Labor," approved March 4, 1913 (U.S.C., title 29, sec. 51), and all functions of the United States Conciliation Service under any other law are hereby transferred to the Federal Mediation and Conciliation Service, together with the personnel and records of the United States Conciliation Service. Such transfer shall take effect upon the sixtieth day after the date of enactment of this Act. Such transfer shall not affect any proceedings, pending before the United States Conciliation Service or any certification, order, rule, or regulation theretofore made by it or by the Secretary of Labor. The Director and the Service shall not be subject in any way to the jurisdiction or authority of the Secretary of Labor or any official or division of the Department of Labor.

Functions of the Service

Sec. 203. (a) It shall be the duty of the Service, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, to assist parties to labor disputes in industries affecting commerce to settle such disputes through concilation and mediation.

(b) The Service may proffer its services in any labor dispute in any industry affecting commerce, either upon its own motion or upon the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption of commerce. The Director and the Service are directed to avoid attempting to me-

diate disputes which would have only a minor effect on interstate commerce if State or other conciliation services are available to the parties. Whenever the Service does proffer its services in any dispute, it shall be the duty of the Service promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

(c) If the Director is not able to bring the parties to agreement by conciliation within a reasonable time, he shall seek to induce the parties voluntarily to seek other means of settling the dispute without resort to strike, lock-out or other coercion, including submission to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a secret ballot. The failure or refusal of either party to agree to any procedure suggested by the Director shall not be deemed a violation of any duty or obligation imposed by this Act.

(d) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Service is directed to make its conciliation and mediation services available in the settlement of such grievance disputes only as a last resort and in exceptional cases.

Sec. 204. (a) In order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes,

employers and employees and their resentatives, in any industry affection commerce shall—

(1) exert every reasonable effort to mand maintain agreements concerrates of pay, hours, and working cotions, including provision for adequotice of any proposed change in terms of such agreements;

(2) whenever a dispute arises over terms or application of a collective gaining agreement and a conference requested by a party or prospect party thereto, arrange promptly for a conference to be held and endeave such conference to settle such dispersional expeditiously; and

(3) in case such dispute is not settle conference, participate fully and property in such meetings as may be untaken by the Service under this Act the purpose of aiding in a settlement the dispute.

Sec. 205. (a) There is hereby crea National Labor-Management I which shall be composed of twelve in bers appointed by the President, si whom shall be selected from among sons outstanding in the field of man ment and six of whom shall be selected from among persons outstanding in field of labor. Each member shall office for a term of three years, exthat any member appointed to fill a cancy occurring prior to the expire of the term, for which his predecewas appointed shall be appointed for remainder of such term, and the term

f office of the members first taking ofce shall expire, as designated by the resident at the time of appointment, our at the end of the first year, four the end of the second year, and four the end of the third year after the ate of appointment. Members of the anel, when serving on business of the anel, shall be paid compensation at the te of \$25 per day, and shall also be enled to receive an allowance for actual and necessary travel and subsistence exenses while so serving away from their aces of residence.

) It shall be the duty of the panel, at e request of the Director, to advise in te avoidance of industrial controversies d the manner in which mediation and uluntary adjustment shall be administed, particularly with reference to controversies affecting the general welfare the country.

Intional Emergencies

c. 206. Whenever in the opinion of the lesident of the United States, a threatred or actual strike or lock-out affecti; an entire industry or a substantial Irt thereof engaged in trade, commerce, Insportation, transmission, or commu-1:ation among the several States or with foreign nations, or engaged in the piduction of goods for commerce will, spermitted to occur or to continue, nperil the national health or safety, he my appoint a board of inquiry to inre into the issues involved in the dpute and to make a written report to hi within such time as he shall pretibe.

Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendation. The President shall file a copy of such report with the Service and shall make its contents available to the public.

Sec. 207. (a) A board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

- (b) Members of a board of inquiry shall receive compensation at the rate of \$50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.
- (c) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of section 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

Sec. 208. (a) Upon receiving a report from a board of inquiry the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

- (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations or engaged in the production of goods for commerce; and
- (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate.
- (b) In any case, the provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.
- (c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon write of certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., Title 29, secs. 346 and 347).

Sec. 209. (a) Whenever a district court has issued an order under section 208 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to

such order to make every effort to adjust and settle their differences, with the assistance of the Service created by this Act. Neither party shall be under any duty to accept, in whole or in part, any proposal of settlement made by the Service.

(b) Upon the issuance of such order, the President shall reconvene the board of inquiry which has previously reported with respect to the dispute. At the end of a sixty-day period (unless the dispute has been settled by that time), the board of inquiry shall report to the President the current position of the parties and the efforts which have been made for settlement, and shall include a statement by each party of its position and a statem t of the employer's last offer of settlement. The President shall make such report available to the public. The National Labor Relations Board, within the succeeding fifteen days, shall take a secret ballot of the employees of each employer involved in the dispute on the question of whether they wish to accept the final offer of settlement made by their employer as stated by him and shall certify the results thereof to the Attorney General within five days thereafter.

Sec. 210. Upon the certification of the results of such ballot or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged. When such motion is granted, the President shall submit to the Congress a full and comprehensive report of the proceedings, including the findings of the board of inquiry and the ballot taken by the National Labor Relations Board, together with such recommendations as he may see fit to make for consideration and appropriate action.

Compilation of Collective Bargaining Agreements, etc.

Sec. 211. (a) For the guidance and information of interested representatives of employers, employees, and the general

public, the Bureau of Labor Statistics of the Department of Labor shall maintai a file of copies of all available collective bargaining agreements and other available agreements and actions thereunds settling or adjusting labor disputes. Sucfile shall be open to inspection under appropriate conditions prescribed by the Secretary of Labor, except that no specific information submitted in confidence shall be disclosed.

(b) The Bureau of Labor Statistics in the Department of Labor is authorized to furnish upon request of the Service, comployers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute, except that a specific information submitted in confidence shall be disclosed.

Exemption of Railway Labor Act

Sec. 212. The provisions of this tit's shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, a amended from time to time.

ppendix C

Health Care Act

Jublic Law 93-360, 93rd Congress. S. 3203. July 26, 1974)

- Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes.
- Be it enacted by the Senate and House Representatives of the United States America in Congress assembled, That section 2(2) of the National Labor Retions Act is amended by striking out any corporation or association opening a hospital, if no part of the net mings inures to the benefit of any potate shareholder or individual,".
- b) Section 2 of such Act is amended adding at the end thereof the follow-new subsection:
- "(14) The term 'health care instituion' shall include any hospital, conalescent hospital, health maintenance rganization, health clinic, nursing ome, extended care facility, or other astitution devoted to the care of sick, afirm, or aged person.".
- c) The last sentence of section 8(d) Buch Act is amended by striking out words "the sixty-day" and inserting ieu thereof "any notice" and by ining before the words "shall lose" a ma and the following: "or who ens in any strike within the appropriate od specified in subsection (g) of this ion,".

- (d)(1) The last paragraph of section 8(d) of such Act is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a health care institution, the provisions of this section 8(d) shall be modified as follows:
 - "(A) The notice of section 8(d)(1) shall be ninety days; the notice of section 8(d)(3) shall be sixty days; and the contract period of section 8(d)(4) shall be ninety days.
 - "(B) Where the bargaining is for an initial agreement following certification or recognition, at least thirty days' notice of the existence of a dispute shall be given by the labor organization to the agencies set forth in section 8(d)(3).
 - "(C) After notice is given to the Federal Mediation and Conciliation Service under either clause (A) or (B) of this sentence, the Service shall promptly communicate with the parties and use its best efforts, by mediation and conciliation, to bring them to agreement. The parties shall participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of the dispute."
- (e) Section 8 of such Act is amended

by adding at the end thereof the following new subsection.

"(g) A labor organization before engaging in any strike, picketing, or other concerted refusal to work at any health care institution shall, not less than ten days prior to such action, notify the institution in writing and the Federal Mediation and Conciliation Service of that intention, except that in the case of bargaining for an initial agreement following certification or recognition the notice required by this subsection shall not be given until the expiration of the period specified in clause (B) of the last sentence of section 8(d) of this Act. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement of both parties."

Sec. 2. Title II of the Labor Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"Conciliation of Labor Disputes in the Health Care Industry

"Sec. 213. (a) If, in the opinion of the Director of the Federal Mediation and Conciliation Service a threatened or actual strike or lockout affecting a health care institution will, if permitted to occur

or to continue, substantially interrupt the delivery of health care in the locality concerned, the Director may further assist in the resolution of the impasse by establishing within 30 days after the notice to the Federal Mediation and Conciliation Service under clause (A) of the last sentence of section 8(d) (which is required by clause (3) of such section 8(d)), or within 10 days after the notice under clause (B), an impartial Board of Inquiry to investigate the issues involved in the dispute and to make a written report thereon to the parties within fifteen (15) days after the establishment of such a Board. The written report shall contain the findings of fact together with the Board's recommendations for settling the dispute, with the objective of achieving a prompt, peaceful and just settlement of the dispute. Each such Board shall be composed of such number of individuals as the Director may deem desirable. No member appointed under this section shall have any interest or involvement in the health care institutions or the employee organizations involved in the dispute.

- "(b)(1) Members of any board established under this section who are otherwise employed by the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out its duties under this section.
- "(2) Members of any board established under this section who are not subject to paragraph (1) shall receive compensation at a rate prescribed by the Director but not to exceed the daily rate prescribed for GS-18 of the General Schedule under

section 5332 of title 5, United States Code, including travel for each day they are engaged in the performance of their duties under this section and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out their duties under this section.

- "(c) After the establishment of a board under subsection (a) of this section and for 15 days after any such board has issued its report, no change in the status quo in effect prior to the expiration of the contract in the case of negotiations for a contract renewal, or in effect prior to the time of the impasse in the case of an initial bargaining negotiation, except by agreement, shall be made by the parties to the controversy.
- "(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."

Sec. 3. The National Labor Relations Act is amended by adding immediately after section 18 thereof the following new section:

"Individuals With Religious Convictions

"Sec. 19. Any employee of a health care institution who is a member of and adheres to established and traditional tenets or teachings of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or financially support any labor organization as a condition of employment; except that such employee may be re-

quired, in lieu of periodic dues and initiation fees, to pay sums equal to such dues and initiation fees to a nonreligious charitable fund exempt from taxation under section 501(c)(3) of the Internal Rev nue Code, chosen by such employee from a list of at least three such funds, designated in a contract between such institution and a labor organization, or if the contract fails to designate such funds then to any such fund chosen by the employee."

Sec. 4. The amendments made by the Act shall become effective on the thirtied day after its date of enactment.

Approved July 26, 1974.



br producers in the rubber manufacturing industry were involved in a four-month strike. Negotiations between the United Rubber Workers union and Firestone Tire & Rubber Company set the pattern for the rest of the industry. Here negotiators for Firestone and the union meet with top Federal in Washington in one of several sets of talks in the Nation's capital before agreement was achieved.

Regional Offices

Region 1.—Paul Yager

Regional Director

2937 Federal Building, 26 Federal Plaza, New York 10007. Maine, New Hampshire, Vermont, Connecticut, Rhode Island, Massachusetts, New York and Northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Sussex and Union.

Region 2.—Robert W. Donnahoo

Regional Director

401 Mall Bldg., Fourth and Chestnut Street, Philadelphia 19106. Pennsylvania, Delaware, Maryland, District of Columbia, West Virginia, Southern New Jersey counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Warren, Hunterdon, Mercer, Monmouth and Salem; Virginia counties of Allegheny, Botetourt, Roanoke, Franklin, Henry and all east of these counties; and southeastern Ohio counties of Belmont, Monroe, Washington, Nobel and Guernsey.

Region 3.—Charles L. Bowen

Regional Director (Acting)

1422 West Peachtree Street, NW, Atlanta 30309. Western Virginia counties of Lee, Wise, Scott, Dickerson, Buchanan, Russell, Washington, Tazewell, Smyth, Bland, Wythe, Grayson, Carroll, Pulaski, Giles, Craig, Montgomery, Floyd and Patrick; Southwest Kentucky counties of Fulton, Hickman, Carlisle, Ballard, McCracken, Graves, Marshall, Calloway, Livingston, Todd, Lyon, Trigg, Caldwell, Crittenden, Union, Webster, Hopkins, Christian, Muhlenberg, Logan and Simpson; Arkansas (Crittenden County only); Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Puerto Rico and the Virgin Islands.

Region 4.—Edward F. O'Brien

Regional Director

1525 Superior Bldg., 815 Superior Avenue, N Cleveland, Ohio 44114. Indiana counties Clark and Floyd; Kentucky (except the counties of Region 3 jurisdiction); Ohio (except tounties under Region 2 jurisdiction); Michig (lower peninsula; upper peninsula under Figion 5 jurisdiction).

Region 5.—Richard D. Williams

Regional Director

1402 Dirksen Building, 219 South Dearbo Street, Chicago 60604. Illinois (except the couties under Region 6 jurisdiction); Indiana (except Clark and Floyd Counties under Region jurisdiction); Wisconsin, Minnesota, North I kota, South Dakota and Michigan (upper painsula; lower peninsula under Region 4 jurdiction).

Region 6.—Paul E. Bowers

Regional Director

Chromalloy Plaza, 120 South Central, St. Lo 63105. Iowa, Missouri, Illinois counties of Choun, Greene, Jersey, Madison, Macoupin, Mcroe, Randolph and St. Clair; Arkansas (excerttenden County); Nebraska, Kansas, Okhoma, and Texas (except El Paso and Hudspe Counties under Region 7 jurisdiction).

Region 7.—Eugene J. Barry

Regional Director

50 San Francisco Street, Suite 235, San Francisco 94133. California, Nevada (except Wh. Pine and Elko Counties under Region 8 judiction), Arizona, New Mexico, Southw. Texas (Counties of El Paso and Hudspel Hawaii and Guam.

Region 8.—James L. Macpherson

Regional Director

Fourth and Vine Bldg., 2615 Fourth Aven Seattle 98121. Washington, Oregon, Ida Montana, Wyoming, Nevada (Counties of Wl Pine and Elko), Utah, Colorado and Alaska

Federal Mediation and Conciliation Service

Mission

- ★ Promoting the development of sound and stable labormanagement relationships,
- Preventing or minimizing work stoppages by assisting labor and management to settle their disputes through mediation,
- Advocating collective bargaining, mediation and voluntary arbitration as the preferred process for settling issues between employers and representatives of employees,
- Developing the art, science and practice of dispute resolution,
- And fostering constructive joint relationships of labor and management leaders to increase their mutual understanding and ability to resolve common problems.

